

THE DEPARTMENT OF STATE



Bulletin



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August 3, 1959

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THE DEPARTMENT OF STATE

Bulletin

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The Department of State BULLETIN, a weekly publication issued by the Public Services Division, Bureau of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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Foreign Ministers Meeting Reconvenes at Geneva; Secretary Herter Probes Soviet Intentions

Following are two statements made by Secretary Herter at the Foreign Ministers Meeting which reconvened at Geneva, Switzerland, on July 13, together with the text of a paper on Berlin presented by the Western Foreign Ministers to the Soviet Foreign Minister at a private meeting on June 16.¹

OPENING STATEMENT, JULY 13

At the opening of the second session of this conference a brief review of the first 6 weeks will be helpful in gaging where we now stand and how we should continue our deliberations.

The discussions during the first 6 weeks revealed certain points of agreement between the Western Powers and the Soviet Union. But even more clearly it showed that the positions taken at the close of the first series of meetings were so far apart that any significant agreement seemed virtually impossible unless time were taken for reflection and reconsideration. It was clear that successful negotiations would require a change in the approach to the problems with which we were dealing. Therefore we proposed a recess in the hope that the Soviet Union would consider the gravity of the situation we were facing and would return to the next phase of the conference ready to

continue our discussions in a realistic and understanding manner. From our earlier discussion we found that the Foreign Ministers all agreed that Germany should be reunified, that there should be free elections held for this purpose, and that there should be a final peace settlement at the earliest practicable time. They were unable to agree, however, on procedures for achieving these ends.

Western Peace Plan

The Western Powers presented a plan for German reunification which would be permanent because it would be freely accepted by the German people and would bring about a peace settlement which would assure Germany's neighbors that their security interests would be thoroughly safeguarded. The plan was based on the conviction that a lasting settlement of the major cause of European instability must rest on consent and mutual confidence.

The plan therefore provided the German people with the right of self-determination through the mechanism of free elections. However, it took account of the views of the Soviet Union by proposing a transitional period during which plans for free all-German elections and for the development of closer contacts between both parts of Germany could be developed by a German mixed committee.

The plan also provided a basis for the discussion of regional security in Europe and disarmament, which both the Western Powers and the Soviet Union have recognized as forming an integral part of the problem of achieving a permanent program for the stabilization of Europe.

Unfortunately the Soviet Union has so far refused to consider this plan as a basis for discussion. On their part they proposed that a peace treaty be

¹ The Foreign Ministers of France, the U.S.S.R., the United Kingdom, and the United States met at Geneva from May 11 to June 20 to discuss the German problem. For earlier statements by Secretary Herter and the text of the Western peace plan of May 14, see BULLETIN of June 1, 1959, p. 775; June 8, 1959, p. 819; June 15, 1959, p. 859; June 29, 1959, p. 943; and July 6, 1959, p. 3. For a report to the Nation by Mr. Herter on June 23, see *ibid.*, July 13, 1959, p. 43.

signed on the basis of the two areas into which Germany has been divided. Their proposal contained no specific provisions for the reunification of Germany. On the contrary, they insisted that reunification be worked out by the Federal Republic and the so-called "German Democratic Republic" within the framework of a confederation plan which would have denied for the foreseeable future to the population of the eastern part of Germany the right of choosing its government through free elections. This plan would perpetuate by formal international agreement the continuation in office of the unrepresentative regime which is now in power in eastern Germany and which holds no proper mandate to speak for all or any part of the German people. The more the Soviet proposal was expounded the clearer it seemed to us that it would result in the permanent partition of Germany.

A refusal on the part of the Soviet Union to discuss German reunification and European security in terms consistent with the provisions of the United Nations Charter calling for free determination also blocked progress toward a solution of the Berlin crisis which had been precipitated by the Soviet Union last November.

Interim Plan for Berlin

In planning and establishing the Four Power occupation zones for Germany in 1944 and 1945 the four victorious powers had given Berlin a special status intended to last until the conclusion of a peace settlement with an all-German government. In line with the original intentions of the Four Powers and with the dictates of logic the Western Powers considered the natural solution of the Berlin problem to be the reunification of Germany. However, in view of the fact that the Western peace plan provided for a transitional period of 2½ years before German reunification would take place, the Western peace plan also included an interim plan for Berlin which would unite the two parts of the city through free all-Berlin elections and would thus serve as a model in miniature for the reunification of the entire country in which the Western peace plan would culminate.

In presenting this interim plan the Western Powers emphasized that they must preserve unimpaired their ability to protect the integrity of

the city and to safeguard the population of Berlin from pressure and intimidation until reunification eliminates the hostile forces by which Berlin is encircled.

We attached particular importance to this matter because of the importance which the people of Berlin attach to it. In a series of overwhelming votes, the last in December 1958, the West Berlin voters have expressed their belief that the freedom of the city requires the protective presence of Western troops, the maintenance of the city's economic, financial, and cultural ties with the West, and unrestricted access to and from the city by land, water, air, and communication channels.

It is important to note in this connection that in the course of the conference Mr. Gromyko specifically admitted the validity of Western rights in Berlin.

Owing to the impasse reached by the end of the second week of the conference in the discussion of general plans for reunification and European security, the discussion shifted to the narrower question of whether some agreement could be reached which would reduce the dangers inherent in the Berlin crisis which the Soviet Union had precipitated.

On May 26 I outlined in some detail the Western proposal for an interim Berlin settlement providing for all-Berlin elections, the establishment of an all-Berlin government, the maintenance of forces in Berlin by the Four Powers, and the guaranteeing of free and unrestricted access to Berlin for all persons, goods, and communications. This proposal was rejected out of hand by the Soviet Government. On May 31 Mr. Khrushchev said that "the seven-point program does not contain a single element for negotiation."

Soviet Proposal of June 1

On June 1 Mr. Gromyko then outlined a Berlin proposal which was basically a reiteration of the Soviet so-called "free city" plan which had been spelled out in the Soviet note of November 27, 1958.²

This was of course incompatible with the obligations of the Western Powers toward the population of West Berlin. It would have deprived West Berlin of the protection afforded by the Western forces—either by eliminating them or by

² For text, see *ibid.*, Jan. 19, 1959, p. 81.

reducing them drastically and introducing Soviet forces into West Berlin. It would have involved a specific termination of the Western rights in Berlin and the establishment of a status for West Berlin in which the city would have been entirely dependent upon verbal or written assurances extended to it by the Soviet Union and the so-called German Democratic Republic.

Furthermore, Mr. Gromyko made the acceptance of this new status for the city of West Berlin which the Soviet Union had proposed the basic condition for discussing any Western proposals on the city.

During the next few days discussions continued in private on the Berlin problem; considerable progress was made in isolating the questions which each side considered of special importance. These discussions were then reflected in a new series of more limited proposals which were put forward in the closing weeks of the first phase of the conference. It is worth while summarizing these proposals briefly.

On June 4 and 8 the Western Foreign Ministers gave Mr. Gromyko talking papers which discussed the possibility of supplementary arrangements in Berlin within the recognized framework of Western rights in the city. They indicated that they could accept the withdrawal of Soviet troops from Berlin, which, it must be pointed out, is an offer of no real significance in view of the fact that the city is surrounded by some 26 divisions of Soviet and East German troops and vast military installations. They also were willing to declare their intention not to increase the combined total of their own forces in the city. They might also be able to reduce their forces to the extent that developments in Berlin and the maintenance of their responsibilities permitted. Measures consistent with fundamental rights and liberties might be taken in both parts of Berlin to avoid activities which might disturb public order or seriously affect the rights and interests of the several parties. They held that continuing rights of access to Berlin, both Allied and German, must be recognized by the Soviet Government, as well as free access between East and West Berlin, but were prepared to agree that access procedures could be carried out by German personnel on the understanding that existing responsibilities remained unchanged. Disputes on access should be settled between the four governments,

Mr. Herter's Arrival Statement, July 12

Press release 513 dated July 13

The following statement was made by Secretary Herter on his arrival at Geneva on July 12, 1959.

I return to Geneva to resume our discussions for a solution of the problem of a divided Germany and a divided Berlin.

Although I do not come here with high hopes, I believe it is possible, with good will on both sides, to reach an agreement. Foremost in our minds of course is the freedom and future of the more than 2 million people of West Berlin.

Our earlier discussions here had revealed possible elements of agreement concerning specific arrangements for Berlin.

I am convinced that the unity of thought and action so manifest among the Western Powers in our previous discussions will continue in the second phase of the conference.

who could establish a quadripartite commission in Berlin to facilitate the settlement of such disputes. Arrangements agreed on were to remain in force until German reunification.

Soviet Proposals of June 10 and 19

On June 10 Mr. Gromyko presented new proposals which he characterized as providing for the temporary maintenance of certain Western occupation rights in West Berlin for a limited period of 1 year. During this period an all-German committee was to be established on a basis of parity for the Federal Republic and the so-called German Democratic Republic to promote greater contacts between the two parts of Germany, to prepare for German reunification, and to consider a peace treaty. He further stipulated four requirements in West Berlin: the reduction of Western forces and armaments to token levels; the termination of hostile propaganda against the so-called German Democratic Republic, the Soviet Union, and other socialist countries; the liquidation of all alleged organizations for espionage and subversion against the so-called German Democratic Republic, the Soviet Union, and other socialist countries; and a ban on atomic or rocket installations. The Western Powers pointed out that this proposal was unacceptable, apart from its unreasonable content, because of its threatening nature. It sought to establish a limit of 12

months for the continued rightful presence of the Western Powers in West Berlin. The attempted imposition of such a time limit was immediately rejected by the Western Powers.

On June 16 the Western Powers made additional proposals including an assurance they would continue to arm their forces in Berlin only with conventional weapons. They declared that their Governments would from time to time consider the possibility of reducing such forces if developments in the situation permit. They also proposed that all disputes which might arise with respect to access be raised and settled between the four Governments and that a quadripartite commission be established to examine any difficulties arising out of access and to facilitate their settlement. Unless subsequently modified by the Four Powers the arrangements agreed to were to continue in force until the reunification of Germany.

On June 19 Mr. Gromyko proposed the extension of the time limit specified in this proposal of June 10 from 1 year to 18 months. However, the new Soviet proposal as presented to the Foreign Ministers reserved to the Soviet Government freedom of unilateral action at the expiration of that period. Mr. Gromyko seemed to maintain that it was the view of his Government that the Western Powers, upon signing such an agreement, would acquiesce in the liquidation of their rights in Berlin and the abandonment of their responsibility for maintaining the freedom of West Berlin. Furthermore, the Soviet Government at the highest level declared its intention to conclude a peace treaty with the so-called German Democratic Republic if no agreement on a peace treaty was reached by the all-German committee proposed within 18 months. The Soviet Government has also clearly stated that in its view such a treaty would extinguish Western rights in Berlin.

Since then the Soviet Foreign Minister, in a statement on June 28, asked a rhetorical question, "Does not the fact that the Soviet Union is proposing to hold new negotiations on West Berlin after the expiration of the terms provided for in the agreement—if by that time the all-German committee does not succeed in its work—speak for itself?"

The very purpose of drawing up international agreements is to avoid reliance on facts that speak for themselves. Our purpose in the coming negotiations will be to try to reach understandings which can later be reduced to writing to minimize

the danger of subsequent differing interpretations.

I remain convinced that a satisfactory long-range solution to the German and Berlin problem can be found if we realistically face the dangers created by the artificial division of this great country and seek to eliminate them by a plan for reunification within the framework of a general agreement on security which will guarantee all countries of Europe against the dangers of irresponsible actions endangering the peace. This our Western peace plan would accomplish.

My Government hopes that we will make the measure of progress needed to warrant a subsequent meeting of Heads of Government. I believe that the best promise of such progress lies in an early return to restricted sessions. I propose to my colleagues that our next session be private.

STATEMENT OF JULY 16

At yesterday's plenary meeting I suggested that we end the discussion of whether or not there is any essential link between procedures looking to solution of the problem of the continued division of Germany and procedures looking to arrangements for Berlin to last until reunification of Germany. Instead, I proposed that we might, with greater profit, consider the substance of the Berlin proposals made by the Western Powers and by the Soviet Union. I suggested that when we resumed today we should consider these proposals, point by point, so that a clear understanding of each position would be assured and further useful negotiations made possible.

I would now like to do just this.

A convenient starting point is to consider the three-power paper on Berlin, handed to the Soviet Foreign Minister on June 16, 1959. This paper was developed by the Western Powers after a detailed and prolonged discussion in private sessions with the Soviet Foreign Minister. This paper was a genuine effort to meet views expressed by the Soviet Foreign Minister on a number of occasions.

As I indicated yesterday, this three-power paper was ignored by the Soviet Foreign Minister without any discussion of its specific points. The alleged reason given by Mr. Gromyko was that these proposed arrangements would require the U.S.S.R. to reaffirm the occupation rights in Berlin of the U.S., the U.K., and France.

The fact is that these Western rights, which on a number of occasions have been recognized by the U.S.S.R. as legitimate in origin and continuing in fact, derive from the war and from solemn postwar agreements ratified by the U.S.S.R. Nothing that the U.S.S.R. is now being asked to state or do would add to or detract from these rights, nor from Soviet responsibilities.

We have gone far to meet an earlier proposal of the Soviet Foreign Minister that a solution of the Berlin problem should deal with specific arrangements. I hope that, in the light of this clarification, the Soviet Foreign Minister will realize that his earlier reason for ignoring the Western proposals was without basis.

I turn now to the specific elements of the June 16 paper:

Limitation of Forces in Berlin

First, it expressed the willingness of the three Western Powers to limit the combined total of their forces in Berlin to the present level, which is approximately 11,000 men. It proposed that forces in Berlin be armed only with conventional weapons.

The Western Powers would also declare that their governments would consider from time to time the possibility of reducing their forces if developments in the situation permitted.

The Soviet Foreign Minister had proposed earlier that the Western contingents in Berlin be reduced to token levels. (The word "token" is defined in the English dictionary as "something that serves as a symbol, or something given or shown as a guarantee of one's authority.") Surrounded by Communist forces, some 30 or 40 times more numerous, a contingent of 11,000 men under this or any other definition can only be considered a token force.

And by agreeing not to increase—and to consider possible reductions in—this level, the Western Powers proposed to give further assurance that these forces would remain but token contingents.

Free Access to West Berlin

Secondly, the June 16 paper proposed that there should continue to be free and unrestricted access to West Berlin by land, by sea, and by air, for all persons and goods—including those of the Western forces in Berlin. The procedures applicable

would be those in effect in April 1959. This proposal should be acceptable to the U.S.S.R. since its own proposal of June 19 also specifies that "for the duration of the agreement, the communications of West Berlin with the outside world will be preserved in the present shape."

Correspondence between Western and Soviet views also appears to exist in connection with the three-power proposal for a quadripartite commission, which would consider any difficulties arising in connection with access procedures with respect to Berlin.

Measures To Avoid Disturbing Activities

Thirdly, the June 16 paper proposed that measures be taken consistent with fundamental rights and liberties to avoid in both parts of Berlin activities which might either disturb public order or seriously affect the rights and interests, or amount to interference in the internal affairs, of others.

Mr. Gromyko claims that tensions in Berlin are a source of great concern to the Communists. He insists that provision must be made for their reduction if there is to be an acceptable solution for Berlin's future until Germany's reunification.

It is common knowledge, the evidence for which I have previously cited in some detail, that West Berlin is a hotbed of subversive activity. Accordingly, the Western proposals for Berlin call for reciprocal measures to avoid in both parts of Berlin activities which might disturb public order.

Surely the U.S.S.R., with its constant emphasis on parity of treatment, will understand the need for parity of responsibility in this instance.

Let me say now that the Western Powers categorically rule out of consideration any one-sided restraints, as part of a Berlin solution until reunification. If there are to be agreed restraints they must be reciprocally applied in both parts of this city where tensions are alleged to exist. If these reciprocal restraints are to be applied in an even-handed fashion, our experience with international agreements to date suggests that it would be well to provide for verification of their fulfillment.

Possibility of U.N. Role in Berlin

The Soviet Foreign Minister, in his recent statement on June 28, charged the Western Powers with paying only lip service to a United Na-

tions role in connection with Berlin. He then said, "... when, in the course of the talks, the delegations of the Soviet Union and of the G.D.R. declared the readiness of their Governments to guard West Berlin from all outside interference, the Ministers of the Western Powers somehow suddenly lost interest in the problem. They did not want to speak of the participation of the United Nations in the guarantees, although from the rostrum they frequently speak of the organization's role. But, as we see, speaking about it is one thing, and respecting it in practice is another thing."

Even as the Soviet Foreign Minister was making this baseless charge, my Government was giving serious consideration to the possibility of a significant United Nations role in connection with Berlin. We may wish later, when detailed negotiations begin, to suggest that the Four Powers responsible for Berlin consider a request for the Secretary-General of the United Nations to establish an adequate staff in Berlin, with free access to all parts of the city, for the purpose of reporting on propaganda activities which might either disrupt public order or seriously affect the rights of others.

I believe and have reason to hope from recent public statements of the U.N. Secretary-General that he would be responsive to such a request for this form of United Nations participation in a Berlin settlement.

I hope that the Soviet Union will consider this possibility of establishing an international scrutiny over one aspect of the life of this city which is of such importance to both the Communists and the free world.

Arrangements To Continue Until Unification

Fourth: The final point on the Western proposal is the provision that these arrangements concerning Berlin will continue in force until the reunification of Germany.

This principle was repeatedly accepted by Mr. Gromyko in our earlier private discussions. He acknowledged that any agreement reached at the conference concerning Berlin should last until Germany was unified. But then the Soviet proposals of June 9³ and 19 apparently changed this

³ The Soviet proposal made in private session on June 9 was repeated in public session on June 10; it is therefore identified with both dates.

position. It seems to call for an agreement to expire after a brief specified period.

I suggest, Mr. Chairman, that this is a point on which the true interests of all our countries coincide. Each of our countries has an underlying interest in the preservation of peace. And I cannot conceive that the cause of peace would be served by any agreement which merely insured that the Berlin crisis would be revived after a short interval.

We have so far faced two major international crises over Berlin—one in 1948, when the U.S.S.R. tried to starve the city into submission, and now again in 1959. Each of these crises has posed a serious threat to peace. Still another crisis in the future would revive this danger, perhaps in more acute form. This possibility may, in fact, grow with each crisis—as tensions over Berlin cumulatively increase.

And even if war should be avoided, such recurring crises cannot help but prevent that relaxation of tensions which the Soviet Union professes to desire. It is impossible to build relations between our countries on a sound and businesslike basis if these relations are to be periodically thrown into an uproar by Soviet threats to Berlin and by the Soviet Union's attempted reopening of past agreements covering Berlin.

I hope that Mr. Gromyko will weigh these thoughts carefully, from the standpoint of his own country's self-interest, if from no other. I hope that this weighing will lead him, as it has led me, to conclude that his original view was correct—that the accord on Berlin should last until reunification.

Now that the issue of Berlin has been raised once more, and now that relations between our countries have been profoundly disturbed by this fact, we would be remiss in our duty to the peoples of the world if we did not settle that issue once and for all on a basis that will endure until a solution of the German problem is accomplished.

Conclusion

These then, Mr. Chairman, are the four main points in the Western proposal concerning Berlin:

1. No increase of forces in Berlin.
2. Guaranteed free access to Berlin.

3. Measures to avoid disturbing activities in either part of Berlin.

4. Agreement that these arrangements should last until German unification.

Taken together, I believe that these four points offer a sound basis for successful negotiations at this conference. I hope, therefore, that the Soviet Foreign Minister will now discuss them—seriously, substantively, and one by one—so that we can get on to an agreement.

It does not matter whether he does this on the sole basis of our proposals or not—so long as he addresses these four points, which seem to be the pillars on which any acceptable Berlin agreement must rest.

I hope that he will not avoid discussing these points by turning to other subjects—like procedures for German unification, which we can discuss separately if it seems useful at this conference.

I hope that he will not avoid this discussion by throwing out bogus slogans like “free city,” and that he will concentrate on specific improvements in the Berlin situation, rather than on changes in terminology.

And finally I hope that he will not avoid discussing these points by making generalized and misleading attacks on the Western proposal which comprehends them—claiming to perceive in that proposal requirements and consequences other than those spelled out in these four points.

None of these attempts at evasion would be worthy of the serious problems and the overriding need which we face.

The problem is that of devising arrangements for Berlin which will preserve the city's freedom and guard against future crises over this issue until Germany is reunified.

The need is to fulfill the hopes which peoples around the world have placed in this conference by reaching a measure of agreement on such arrangements, so that by having made real progress we can proceed promptly to a meeting of the Heads of Government, where other issues can be discussed.

I have tried, Mr. Chairman, to show how the problem could be met in a way consistent with the interests and honor of all our countries.

It is for Mr. Gromyko to determine whether we can now begin serious negotiations which will fulfill the need.

WESTERN PROPOSAL ON BERLIN, JUNE 16

1. The Foreign Ministers of France, the United Kingdom, the United States and the Union of Soviet Socialist Republics have examined the question of Berlin in the desire to find mutually satisfactory solutions to the problems which have been raised and which derive essentially from the division of Berlin and of Germany. They agreed that the best solution for these problems would be the reunification of Germany. They recognized, however, that pending reunification, the existing situation and the Agreements at present in force can be modified in certain respects and have consequently agreed upon the following:

(a) The Soviet Foreign Minister has made known the decision of the Soviet Government no longer to maintain forces in Berlin.

The Foreign Ministers of France, the United Kingdom and the United States declare that it is the intention of their Governments to limit the combined total of their forces in Berlin to the present figure (approximately 11,000) and to continue to arm these forces only with conventional weapons as at present. The three Ministers further declare that their Governments will from time to time consider the possibility of reducing such forces if developments in the situation permit.

(b) The Ministers agreed that there shall continue to be free and unrestricted access to West Berlin by land, by water and by air for all persons, goods and communications, including those of the French, United Kingdom and United States forces stationed in West Berlin. The procedures applicable shall be those in effect in April 1959. However, without prejudice to existing basic responsibilities, these procedures may where it is not already the case be carried out by German personnel.

The Ministers likewise reaffirmed that freedom of movement will continue to be maintained between East and West Berlin.

All disputes which might arise with respect to access will be raised and settled between the four Governments. The latter will establish a quadripartite Commission which will meet in Berlin to examine any difficulties arising out of the application of the present sub-paragraph and to facilitate their settlement. The Commission may make arrangements if necessary to consult German experts.

2. The Ministers consider that measures should be taken consistent with fundamental rights and liberties to avoid in both parts of Berlin activities which might either disturb public order or seriously affect the rights and interests, or amount to interference in the internal affairs, of others.

3. The Ministers agreed that unless subsequently modified by Four Power agreement these arrangements will continue in force until the reunification of Germany.

President Eisenhower Acknowledges AFL-CIO Letter on Berlin

White House press release dated July 15

The White House on July 15 made public the following letter from the President to George Meany, president of the American Federation of Labor and the Congress of Industrial Organizations.

JULY 15, 1959

DEAR MR. MEANY: Thank you very much for your letter of yesterday.¹ For a long time I have been keenly aware and appreciative of the firm stand taken by the AFL-CIO in support of the government's refusal to abandon either the free people of West Berlin or our rights and responsibilities respecting that city.

Your present letter should convince everyone, including the Soviets, that in the United States labor is free—and because it is free, it is part of the decision-making process in our country. When free citizens form their conclusions and convictions on matters that affect America's international position, they cannot be divided on the basis of vocation, creed or partisan politics. The efforts of any outsider to divide America are bound to fail when the basic beliefs and the vital interests of this nation are at stake.

I am grateful for your letter because even though I have had no doubt in my own heart or mind of AFL-CIO solidarity in this matter, I salute your entire membership for reaffirming this solidarity before the entire world.

With warm regard,
Sincerely,

DWIGHT D. EISENHOWER

MR. GEORGE MEANY
President

*American Federation of Labor
and Congress of Industrial Organizations
815 Sixteenth Street, N.W.
Washington, D.C.*

¹ Not printed.

Letters of Credence

Guatemala

The newly appointed Ambassador of Guatemala, Arturo Ramírez Pinto, presented his credentials to President Eisenhower on July 13. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 512 dated July 13.

President Names New Airport for John Foster Dulles

Executive Order 10828¹

DESIGNATING THE AIRPORT BEING CONSTRUCTED IN THE COUNTIES OF FAIRFAX AND LOUDOUN IN THE STATE OF VIRGINIA AS THE DULLES INTERNATIONAL AIRPORT

WHEREAS there is now being constructed in the counties of Fairfax and Loudoun in the State of Virginia, pursuant to an act of Congress approved September 7, 1950 (Public Law 762; 64 Stat. 770), an international airport which will provide facilities for the District of Columbia and its vicinity; and

WHEREAS it is desirable that this airport be given an appropriate and significant name; and

WHEREAS the public service of John Foster Dulles, the renowned diplomat and statesman, was dedicated in large measure to the ideals of democracy and the cause of freedom and peace throughout the world; and

WHEREAS it is fitting that the international airport being built to serve our Nation's Capital should bear the name of this distinguished American whose memory is revered wherever men cherish democracy and freedom:

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States, I hereby designate the airport now being constructed in the counties of Fairfax and Loudoun in the State of Virginia, pursuant to the above-mentioned act of Congress, as the Dulles International Airport; and such airport shall hereafter be known and referred to by that name.

Dwight D. Eisenhower

THE WHITE HOUSE,
July 15, 1959.

¹ 24 Fed. Reg. 5735.

A New Era in World Trade and Investment

by Acting Secretary Dillon¹

It is a great pleasure to be here with you today at the First Annual Chicago World Marketing Conference. This conference and the Chicago Trade Fair focus attention on Chicago's growing importance in international commerce. With the opening of the St. Lawrence Seaway, products from the four corners of the earth can now find their way with greater ease to the heartland of America. At the same time the markets of the world have been brought closer to our farms and factories. Truly these events herald the opening of a new era for Chicago and the huge area it serves. The Chicago Association of Commerce and Industry is to be congratulated for its far-sighted vision in recognizing Chicago's new role as the world's largest inland port.

It is natural that businessmen in the Midwest should now take a greater interest in world trade and investment patterns. When we look around us we find that we are entering upon a new period in world trade and investment—an era in which the businessmen of Chicago and of our Central States have an opportunity to play an increasingly important role. I should like to discuss the nature of this role and how it relates to our national interests and objectives.

The central task of our time is the building of a stable and peaceful world order. Vital to that objective is the achievement of sustained economic growth throughout the free world. Political and military arrangements designed for our safety rest, in the final analysis, upon economic strength and well-being. We must, therefore, accelerate our own economic growth and encourage the growth of other industrialized free nations as

well. We must also intensify our efforts to assist the free nations in the vast, underdeveloped areas of Asia, Africa, the Middle East, and Latin America. For these nations must share in the material progress of the rest of the free world if they are to remain independent.

The leaders of the less developed nations are making valiant efforts to raise their peoples' standards of living. But in many cases their economies are primitive. They lack human skills as well as financial and technological resources. And they are beset with exploding populations which require large additional resources to maintain even present living standards.

Unless these hundreds of millions of people can be given reasonable hope for economic progress, then political independence—which so many of them have tasted for the first time only since World War II—can have but little meaning. They will be sorely tempted to try shortcuts to economic development which purport to offer a panacea for all their problems. International communism is standing in the wings of this drama of human aspirations—ready, willing, and able to suggest just such a shortcut.

If the newly developing countries dissolve in chaos or succumb to communism and lose their independence, then our own way of life will not long endure. For we cannot stand alone in a world turned hostile. Unless we help the world's underprivileged to realize their mounting expectations for a better life under free institutions, we surely invite our own downfall.

The task of stimulating international economic growth under freedom is of an urgency and magnitude that dwarfs anything in our peacetime history. But we are not alone in this effort. It is being increasingly shared by other industrialized free nations now that their economies have

¹ Address made before the First Annual Chicago World Marketing Conference at Chicago, Ill., on July 15 (press release 518).

recovered from the devastation of World War II. However, as the most materially advanced member of the free world, we must continue to provide leadership. To succeed, we must enlist the combined resources of our Government and of our private citizens and institutions. It will require perseverance and sustained effort over a period of many years. But we should not approach this task as a grim burden. Instead, we should look upon it as an opportunity and challenge—one which we are uniquely prepared to meet.

What Government Can Do

There is much that our Government can do to meet this challenge. Our major response is the mutual security program. Through its technical assistance operations we are helping to create the human skills so conspicuously lacking in the less developed countries. Through grant assistance we are providing some of the funds urgently required to maintain stability in the face of the military and economic pressure of the Sino-Soviet bloc. The new Development Loan Fund is our principal instrument for providing part of the capital needed for the basic facilities essential to growth.

We are also continuing to provide financing through the time-tested operations of the Export-Import Bank and through our long-term participation in the World Bank and International Monetary Fund, which are now expanding their resources as the result of an American initiative. We have taken a leading part in creating the Inter-American Development Bank, which will soon begin to play an important role in the progress of Latin America. Our reciprocal trade agreements program helps to insure markets for the products which the peoples of the newly developing areas must sell in order to live. And we are constantly seeking to break down barriers to trade through our participation in the General Agreement on Tariffs and Trade. Currently, through tax and other incentives, we are exploring every practicable way to stimulate the flow of private American investment, with all of its accompanying technological skills, to the less developed countries.²

² For statements made before the House Committee on Ways and Means on July 7 by Mr. Dillon and David A. Lindsay, Assistant to the Secretary of the Treasury, see *BULLETIN* of July 27, 1959, p. 128.

Role of Private Enterprise

Our Government's programs to help promote international economic development are critically necessary at this juncture in world affairs. Indeed, in the case of countries which lack even the rudimentary facilities for launching growth, they are indispensable. But in the long run Government efforts cannot match the radiating benefits which flow to our partners in the free world through normal channels of trade and investment. Over the years ahead, the most lasting and productive response to the needs of the developing nations must come from private enterprise, the mainspring of our competitive economic system, which has whetted the appetites of the rest of mankind by creating the highest living standard in all history.

As American businessmen, the eyes of the world are upon you, for you have the capacity to show the underdeveloped areas the way out of their ancient poverty. The technological skills and capacity which have made it possible for 40 percent of the world's goods to be manufactured and consumed by only 6 percent of its population are represented at this conference. It is to you and to your counterparts in Western Europe and Japan that hundreds of millions of people look for the answers to the problems that engulf them and their countries. I am confident that you will not fail them. For nothing is beyond the capacity of the combined economic power of the free world.

The fruitful results of free-world cooperation are nowhere more evident today than here in the area served by the St. Lawrence Seaway. This joint Canadian-American venture is one of a series of recent developments which are radically shaping the future course of international economic relations. The postwar period is now behind us. Almost without noticing it, we have crossed the threshold of a whole new era in world trade and investment.

The opening of this new era has been signaled by the dramatic action last December of the major trading countries of Western Europe in making their currencies convertible in international trade. This was a landmark in international economic relations which will increasingly benefit world trade and investment.

Thus, after more than a quarter of a century of controls, the private trader in world markets can

now expect to be able to buy in the cheapest market and to sell in the dearest. We have made much progress in recent years in reducing foreign trade discriminations against American exports. Now, I believe, we can confidently look forward to the elimination of the remaining discriminations.³

Even as we see before us greater opportunities for world trade, concern is being expressed over the ability of U.S. producers to compete in international markets. This concern has largely arisen from the fact that last year our exports declined substantially from the very high levels of 1957.

I am sure that there is full realization among American businessmen that the increase in the capacity of friendly foreign countries to produce and export goods in world markets over the past several years has been desirable. This development has enabled Western European countries to reduce barriers against imports from this country and to make their currencies convertible. It has put them in a position to join with us in the battle for economic development. It is a reflection of the growing economic strength of the rest of the free world, which American policy has helped to promote in our own political and economic self-interest.

It is clear that the substantial reduction in our exports last year has been largely due to abnormal and special factors which do not reflect upon the competitiveness of American producers. It is also clear that we may reasonably anticipate an increase in our export trade in the coming months. Indeed, increased exports of cotton and a few manufactures, notably commercial aircraft, should swell our export totals by as much as a billion dollars in the next 12 months. Nevertheless, there is no doubt that American business is living in a more competitive world than has existed for many years. The sellers' market of the postwar period is no longer with us, and American products will move in world trade only if American producers are capable of delivering the right kind of goods at the right prices. I am confident that the traditional dynamic and competitive qualities of American traders will successfully meet this challenge of the wider world market which lies before us.

³ For a statement by W. T. M. Beale on "Trade Discrimination and Currency Convertibility," see *ibid.*, July 20, 1959, p. 95.

These are the characteristics of the new order in free world trade and investment: On the one hand, there is a great challenge and a great opportunity to raise the standards of living in the less developed areas of the free world. On the other hand, there is a strong, resurgent Western Europe and Japan, which no longer need to discriminate against American imports and which are ready and willing to carry their full share in the effort to promote better living standards in Asia, Africa, and the Middle East, and Latin America.

Our eventual survival as free people depends on our success in meeting this challenge. The possibility it offers of a virtually unlimited expansion of markets provides an ever-growing opportunity for our traders and investors. Despite everything we in Government can do, the key to success in this endeavor lies in the hands of private business in Canada, in Japan, in Western Europe, and, above all, in the United States. By accepting this challenge and energetically entering the world markets you will be helping not only yourselves but the cause of freedom and liberty for all mankind.

Soviet First Deputy Premier Concludes U.S. Visit

White House press release dated July 15

The White House on July 15 made public the following exchange of messages between the President and Frol R. Kozlov, First Deputy Chairman of the Council of Ministers of the Union of Soviet Socialist Republics.

The President to Mr. Kozlov

JULY 14, 1959

DEAR MR. KOZLOV: Thank you for the thoughtful message which you sent to me on your departure from the United States.¹ I hope that you enjoyed your stay in this country and that you

¹ Mr. Kozlov visited the United States June 28-July 13. He officially opened the Soviet National Exhibition of Science, Technology, and Culture at New York, N.Y., on June 29 and then visited Camden, N.J., Philadelphia, Pa., Washington, D.C., Sacramento and San Francisco, Calif., Detroit, Mich., Chicago, Ill., and Pittsburgh and Shippingport, Pa.

have returned to Moscow with a better understanding of our people, our institutions, and our way of life. It is gratifying to know that you have been impressed with the desire of the American people for peace, a desire which represents their strongest mandate to their Government. This ardent desire is also inseparably linked with our firm belief in the rights of peoples everywhere to enjoy peace with justice and freedom.

I share the hope that the increasing contacts between our two countries, which your visit to us and the forthcoming visit of Vice President Nixon to the U.S.S.R. so well symbolize, will lead to a greatly improved mutual understanding between our peoples.

Sincerely,

DWIGHT D. EISENHOWER

His Excellency

FROL R. KOZLOV

First Deputy Chairman of the Council of Ministers of the Union of Soviet Socialist Republics

Mr. Kozlov to the President

JULY 13, 1959

DEAR MR. PRESIDENT: On leaving the United States I wish to express to you and all Americans who extended to us such a warm welcome, my heartfelt gratitude for the possibilities accorded us to get acquainted with your great country. We are leaving with confidence that the American people want peace just as our Soviet people. We are profoundly convinced that the expanding contacts between our countries, including those concerned with the Exhibition as well as meetings between statesmen of the U.S.S.R. and the U.S.A. promote the improvement of our relations and will undoubtedly have favourable influence on reaching an agreement on international problems, the settlement of which is so eagerly expected by all people who so unswervingly stand for the preservation and strengthening of peace throughout the world.

F. KOZLOV

First Deputy Chairman U.S.S.R. and Cabinet Ministers

Carl Sandburg and Edward Steichen To Visit U.S. Exhibit at Moscow

The Department of State announced on July 17 (press release 526) that Carl Sandburg and Edward Steichen would depart for Moscow on July 20 for appearances at the American National Exhibition, which opens there on July 25. Mr.

Steichen's photographic exhibit, "The Family of Man," will be one of the attractions at the exhibition.

Mr. Sandburg and Mr. Steichen will be in Europe until August 26. They will stay in Moscow until August 5 and then will visit Stockholm—where Mr. Sandburg is scheduled to appear at the Swedish-American Day celebrations on August 10—Paris, and London.

The United States Information Agency is sponsoring Mr. Steichen's trip, and Mr. Sandburg is traveling under the auspices of the International Educational Exchange Program of the Department of State.

Progress and Problems in Building Peace

by Llewellyn E. Thompson

Ambassador to the Soviet Union¹

I am very glad once more to have the opportunity of speaking to the Moscow television audience on the occasion of the birthday of my country.

I have just come from a reception at our Embassy commemorating this 183d anniversary of the United States of America. In addition to your own officials and those of many governments represented here in Moscow I was pleased to see there over 100 private American citizens, who are in Moscow as tourists.

I suspect that never before have there been so many unofficial Americans in Moscow on July 4th. In our eyes they represent a very encouraging trend. During the course of last year over 5,000 such Americans came to the Soviet Union to see your cities and to become better acquainted with your people and their accomplishments. This year we anticipate that that number will be more than doubled. We welcome this development, for we continue to believe that mutual trust and mutual understanding can come only through appreciation of each other's problems, aspirations, and successes.

Unfortunately, many fewer Soviet tourists travel to America. In strictly unofficial category,

¹ Address made on television at Moscow on July 4. Ambassador Thompson spoke in Russian.

I should think they must not have totaled more than 100 for all of last year. We wish we could see more of you in the United States. We like and appreciate travelers from foreign lands. Indeed, we are a country settled and developed by peoples from many parts of the world.

But since the United States is so far away and so few of your countrymen have been able thus far to come to visit us, we are particularly pleased to bring to Moscow this summer the American National Exhibition. As you already know, your own exhibition opened in New York June 30.² President Eisenhower attached so much importance to it that he came in person to the opening ceremonies, where Mr. Kozlov³ and Vice President Nixon formally opened the exhibit. I am sure it will attract many thousands of Americans eager to learn more about the Soviet Union.

Our exhibition will open in Moscow on July 25. Vice President Nixon will travel from Washington to be present on that occasion and to address you on television and radio. We hope many of you will come to Sokolniki Park during the 6 weeks following July 25 to see as much as we can show you of life in America. Many of us who fervently hope for a relief from the tensions which still exist between our countries have been unhappy about the misinformation we frequently encounter in the Soviet Union as concerns the United States. I hope that the exhibition will help Soviet citizens obtain a better understanding of my country.

Last July 4th I spoke to the Moscow television audience and referred to the cultural exchange program between our two countries, then just getting under way. I think in most respects it has been fully as helpful as we had hoped. The 22 American students who have spent the past academic year in Soviet universities are now about to return home. All of them have told us how much this chance to know your country has meant to them. I hope your own students, likewise, at the close of the year in the United States, will come back to you with the same feeling of profit.

Other exchanges between us have continued. Your Beryozka dancers, the Moissejev Ballet, and, more recently, the Bolshoi Ballet have been enthu-

siastically applauded in as many cities of my country as they could reach. Our New York Philharmonic Orchestra will be here in August, as a continuation of the quality of musical presentation started in Moscow last year by the Philadelphia Symphony Orchestra.

In addition, groups of scientists, engineers, architects, musicians, and educators have gone back and forth under official programs of ever-widening possibilities.

This, we think, is all to the good. We want to see it continue; and to this end we look forward to the beginning very soon of new negotiations for an extension and broadening of the present program.

My Government and the American people are disappointed that this progress in expanding contacts between our two countries has not been accompanied by progress in reconciling our political differences. We are especially disappointed that no significant progress was made toward settlement of the problem of the continued division of Germany and Berlin at the Geneva Conference of Foreign Ministers. It would be unrealistic, as Vice President Nixon said in his address at the opening of the Soviet exhibit in New York, to pretend that lack of understanding is the only obstacle to peaceful friendship between the Communist world and those outside its borders. Basic conflicts of interest and ideology are not easily removed—there is no magic formula. But we do seek, through patience and understanding, to find agreements that are consistent with the honor and interest of both of our countries.

We believe every people should be governed as they themselves want. This is what we ask for ourselves—and this is the true meaning of this day of independence we are now celebrating—and this is what we ask for others.

We believe this is the road to peace. On this principle, and with a desire for constructive contribution from both sides, we can hope for progress in building peace. We are convinced that, although increased contacts and exchanges cannot solve all our problems, they can make an important contribution to the removal of misunderstanding and mistrust and thus facilitate the settlement of political questions which now obstruct the improvement of relations between us.

² For text of agreement relating to the exchange of exhibitions, see BULLETIN of Jan. 26, 1959, p. 132.

³ Frol R. Kozlov, Soviet First Deputy Premier.

U.S. Rejects Soviet Proposal on Atom-Free Balkan Zone

DEPARTMENT STATEMENT

Press release 507 dated July 11

The Department of State has noted the declaration of the Soviet Government handed to the United States Ambassador in Moscow on June 25, seeking a ban of atomic weapons and rockets from a zone in the Balkan-Adriatic region.

This declaration was also sent to the Governments of Italy, Turkey, Greece, France, and the United Kingdom. While the three governments most directly concerned with the Soviet proposal will continue as in the past to make their own determination in the tradition of free peoples as to the relation of such proposals to their own security, this proposal is of concern to the whole NATO Alliance.

This proposal is similar to other Soviet proposals to accomplish piecemeal the design of rendering the Western nations incapable of deterring aggression. As the NATO Heads of Government declared on December 19, 1957,¹ and as the North Atlantic Council reaffirmed on May 7, 1959:²

The Soviet leaders, while preventing a general disarmament agreement, have made it clear that the most modern and destructive weapons, including missiles of all kinds, are being introduced in the Soviet armed forces. In the Soviet view, all European nations except the U.S.S.R. should, without waiting for general disarmament, renounce nuclear weapons and missiles and rely on arms of the pre-atomic age.

Regarding the Soviet suggestion that it, together with other great powers, might become a guarantor of this zone, it is pointed out that ample guarantees of nonaggression already exist in the U.N. Charter. Unfortunately experience which none should forget has shown us that defensive strength within the framework of collective security arrangements remains the essential guarantor of peace in the absence of controlled general disarmament.

This Soviet proposal suffers from some of the same shortcomings that have characterized other Soviet proposals for arbitrarily limited efforts to control modern armaments. It does not deal with the basic question of continual production and

stockpiling of nuclear weapons by the present nuclear powers nor does it affect the central sources of power capable of launching a nuclear attack. It is obvious that the range of weapons at the disposal of the U.S.S.R. makes the concept of an atom-free Balkan zone meaningless as far as the security of the free nations in that area is concerned; indeed, as Premier Khrushchev himself said recently in Albania, referring to NATO bases in Italy, Greece, and Turkey, "These rocket bases can be destroyed by rockets launched from the territory of the Soviet Union." In addition to these considerations, moreover, the United States finds it difficult to consider as a serious proposal to reduce tensions a suggestion for prohibiting nuclear weapons within a given area when the Soviet Government has itself recognized that there does not exist with present scientific capabilities any known means of verifying such an arrangement.

It remains the earnest hope of all Western nations that through negotiation progress can and will be made toward general controlled disarmament on a fair and balanced basis that might bring some relief from the pressure and threat of armaments.

Until such measures bear fruit and so long as the Soviet Union continues to build up its arsenal of modern weapons, the nations of the free world cannot surrender their rights or default on their obligation to take measures for their adequate defense.

TEXT OF SOVIET DECLARATION

Unofficial translation

In connection with the statements recently of governments and statesmen of a number of countries on the question of insuring peace and security in the region of the Balkans and the Adriatic, the Soviet Government considers it necessary to state the following:

Guided by the interests of peace and security in Europe, the Head of the Soviet Government, N. S. Khrushchev, as known, introduced a proposal about the creation in the Balkans and the region of the Adriatic of a zone free of atomic and rocket weapons. This proposal was confirmed in the recent joint Albanian-Soviet Declaration. The Soviet Government is profoundly convinced that the refusal of the countries of this region to establish on their territories atomic and rocket bases would meet the vital interests of the peoples of these countries and would be a great contribution to the cause of European security and to the transformation of the Balkans and the Adriatic into a zone of tranquillity and peace.

¹ For text, see BULLETIN of Jan. 6, 1958, p. 12.

² *Ibid.*, May 25, 1959, p. 739.

The importance and timeliness of this proposal stems from the dangerous situation for the case of peace which at the present time is developing in this region. As a result of pressure on the part of the United States of America, the Governments of Turkey and Italy have decided to establish on their territories American atomic and rocket bases and thus to use the strategic position of the Balkan Peninsula for aggressive purposes. The Greek Government also intends to transform Greece into an atomic beachhead; now more than ever before a direct threat to peace and security.

It is natural that the Soviet Union as a state contiguous to the Balkan countries and therefore directly interested in the preservation and support of peace in the Balkans, could not fail to pay attention to such a development of events dangerous for its security. At the same time the feelings of the Balkan peoples, who are opposing the transformation of the Balkans into the breeding ground of a new war and are ever more actively supporting the idea of an atom-free zone, are near and understandable to the peoples of the Soviet Union.

The Soviet Government highly values the efforts of the Governments of those countries which persistently and consistently come out in support of the strengthening of peace, for the broadest cooperation among the Balkan peoples on the principles of equality, mutual respect, and non-interference in internal affairs.

In this connection it is impossible not to note the Declaration of the Rumanian Government of June 6, 1959, in which the proposal is once more advanced for the convocation of a meeting of Heads of Government of the countries of the Balkan Peninsula for examination of urgent questions which concern the countries of this region, including consideration of the proposal about creating in the Balkans a zone of peace free from atomic and rocket weapons.

The Soviet Government welcomes the Declaration of the Governments and statesmen of the People's Republic of Albania and of the People's Republic of Bulgaria, who are actively advocating the formation of an atom-free zone in the Balkans and the region of the Adriatic.

The Government of the U.S.S.R. observes that the Yugoslav Government, as is apparent from the statement of the Federal People's Republic of Yugoslavia President I. Broz Tito of June 8, 1959, also supports the proposal for the creation of an atom-free zone in the Balkans and the region of the Adriatic. It agrees also that the creation of an atom-free zone in the Balkans would be most effective if all the countries of the Balkan Peninsula and Italy take part in it.

Along with this, the Soviet Government notes with regret that the position of the Governments of Italy, Turkey and Greece is a serious obstacle in the path of creating an atom-free zone. In the situation which is developing when the majority of the Balkan countries has declared themselves for the creation of an atom-free zone it would be possible to expect that the Governments of Italy, Turkey and Greece listen to the sensible voice of their neighbors and the peoples of their own countries and, while it is still not late, review their positions on this question.

As for the statements of certain Governments that the security of their countries allegedly in this case would not be sufficiently guaranteed, such apprehensions, insofar as they concern the Soviet Union, are deprived of any basis whatever. In the opinion of the Soviet Government the creation of an atom-free zone also need not be made dependent on whether the countries having signed an agreement on this zone will or will not be members of NATO or the Warsaw Treaty.

Confident that the creation of an atom-free zone in the region of the Balkans and Adriatic would be a significant contribution to the cause of easing international tension and strengthening peace and security, the Soviet Government declares its readiness to become a guarantor of this zone together with the other great powers.

The Soviet Government appeals to the Governments of the United States of America, England, and France in every way to aid the creation of an atom-free zone in the Balkans and the region of the Adriatic, and also on the achievement of an agreement with the interested countries on this question, to guarantee together with the Soviet Union the security and independence of the country participants of the indicated zone.

The Soviet Government expresses the hope that the countries interested in the creation of an atom-free zone in the Balkans and the region of the Adriatic will treat with due attention the considerations set forth in the present declaration.

United States Restricts Travel of Hungarian Official Personnel

Press release 492 dated July 7

The following aide memoire concerning travel restrictions on Hungarian official personnel in the United States was handed to the Chargé d'Affaires ad interim of the Hungarian Legation at Washington on July 7 by Albert W. Sherer, Jr., Acting Director of the Office of Eastern European Affairs.

The Department of State has been informed by the American Legation in Budapest concerning two notes¹ received by the Legation from the Hungarian Ministry for Foreign Affairs on July 6, 1959 which impose restrictions on travel in Hungary by personnel of the American Legation in Budapest.

It is the Department's understanding that henceforth a special permit will be required from the Hungarian Ministry for Foreign Affairs for every trip by personnel of the American Legation outside of a 40-kilometer radius calculated from a starting point at Clark Adam Ter, near the center of Budapest. It is the further understand-

¹ Not printed.

ing of the Department that the American Legation in Budapest must present to the Protocol Department of the Hungarian Ministry for Foreign Affairs a note requesting permission for each trip to be performed outside the 40-kilometer zone and that such requests must be presented at least 48 hours (Sundays and holidays not included) prior to the time that travel is planned. It is noted that these requests must state the name and rank of applicants; the purpose, time and precise route of travel; the means of transportation, including the license number if an automobile is used. It is further noted that the Protocol Department of the Hungarian Ministry for Foreign Affairs will make available passes for trips by American Legation personnel within the 40-kilometer zone.

In view of the foregoing restrictions placed upon the movement in Hungary of personnel of the American Legation in Budapest, the Department of State wishes to inform the Legation of the Hungarian People's Republic of the following restrictions on the movement of all personnel of the Hungarian Legation in Washington and of the Hungarian Delegation to the United Nations in New York. These restrictions are effective immediately.

(1) Special permission is required from the Department of State for all travel by personnel of the Hungarian Legation outside of a 25-mile radius extending from the Zero-milestone located on the north side of the Ellipse in Washington, D.C.

(2) The Hungarian Legation is required to present to the Department of State a note requesting permission for each trip by personnel of the Hungarian Legation outside the 25-mile zone. Such requests must be presented at least 48 hours (Sundays and holidays not included) in advance of the time that such travel is planned. The note must state the name and rank of the applicant; the names and relationship of any accompanying members of the applicant's family; the purpose, time and precise route of travel; the means of transportation, and the license number in the event that travel is performed by automobile.

(3) Special permission is also required from the Department of State for all travel by personnel of the Hungarian Delegation to the United Nations outside of a 25-mile radius extending from Columbus Circle in New York City.

(4) The Hungarian Legation in Washington is required to present to the Department of State in Washington a note requesting permission for

each trip by personnel of the Hungarian Delegation to the United Nations outside of the 25-mile zone in New York City. Such requests must be presented at least 48 hours (Sundays and holidays not included) prior to the time that travel is planned. The note must state the name and rank of the applicant; the names and relationship of any accompanying members of the applicant's family; the purpose, time and precise route of travel; and the means of transportation, including the license number in the event that travel is by automobile.

(5) The Department of State will inform the Legation of the Hungarian People's Republic of such further regulations governing the movement of personnel of the Hungarian Legation and of personnel of the Hungarian Delegation to the United Nations within the respective 25-mile zones in Washington and in New York City as the Department may deem necessary in the light of the manner in which the movement of personnel of the American Legation in Budapest within the 40-kilometer zone in Budapest may be restricted by Hungarian authorities.

Anniversary of President Diem's Accession to Office

White House press release dated July 11

The White House on July 11 made public the following exchange of messages between the President and President Diem of Viet-Nam.

President Eisenhower to President Diem

JULY 4, 1959

DEAR MR. PRESIDENT: I extend to you my congratulations and sincere good wishes on the occasion of your fifth anniversary as national leader of Viet-Nam.

The world has watched with admiration the progress made by Viet-Nam in the five years since you assumed leadership. It is now a country strong in its determination to preserve its freedom and active in promoting the development of its economy. We in the United States are aware of your own indispensable role in bringing about this remarkable progress. It is a task in which we are proud to have been associated with you.

I wish you, Mr. President, and the people of

the Republic of Viet-Nam, continued success in advancing toward your goal of a better life in freedom.

Sincerely,

DWIGHT D. EISENHOWER

President Diem to President Eisenhower

SAIGON, July 9, 1959

THE PRESIDENT
The White House
Washington

I greatly appreciate your thoughtful message of congratulations on the fifth anniversary of my accession to office. On this occasion we in Viet-Nam remember with deep gratitude the warm friendship and active support of the United States during the darkest days of our struggle against colonialism and communism and are looking forward to an ever closer friendship and co-operation between our two countries in the years to come. Please accept my heartfelt thanks for your kind message and my most sincere wishes for your personal happiness and well-being and for the prosperity and welfare of the great American nation.

NGO DINH DIEM

Mr. Seaton To Attend Opening of New Cambodian Highway

Press release 511 dated July 13

In response to an invitation from the Royal Cambodian Government, the President has designated Fred A. Seaton, Secretary of the Interior, to represent the United States at the formal inauguration of a highway which affords Cambodia its first direct access to ocean-going trade. Secretary Seaton will leave the United States July 15 for Phnom Penh, the capital of Cambodia, where the ceremonies will take place.

The 130-mile highway connecting the capital with a new port being built with French assistance at Sihanoukville on the Gulf of Siam will facilitate the movement of Cambodia's foreign commerce and provides access to an area capable of substantial economic development. The \$33-million road represents the major feature of the U.S. economic aid program in Cambodia and has been officially designated by the Cambodian Gov-

ernment as "The Cambodian-American Friendship Highway."

Foreign Countries To Be Invited to Seattle Exposition

WHITE HOUSE ANNOUNCEMENT

White House press release dated July 11

The President issued a proclamation on July 10 pursuant to which foreign countries will be invited to participate in the World Science-Pan Pacific Exposition (Century 21 Exposition), which will be held in Seattle from May 1961 to October 1962. The Governor of the State of Washington, Albert Rosellini, will also issue invitations to the several States of the Union to take part in the exposition.

The proclamation is authorized under Public Law 85-880, which was approved by the President on September 2, 1958.

The exposition will commemorate the centennial of the physical fixing of the boundary line between the United States and Canada. It will also depict the role of science in modern civilization and will express the varied cultures of the countries bordering the Pacific Ocean.

PROCLAMATION 3302

WORLD SCIENCE-PAN PACIFIC EXPOSITION (CENTURY 21 EXPOSITION)

WHEREAS the World Science-Pan Pacific Exposition (Century 21 Exposition), to be held at Seattle, Washington, from May 1961 to October 1962, will commemorate the centennial of the physical fixing of the boundary line between the United States of America and Canada; and

WHEREAS the Exposition will also depict the role of science in modern civilization and will exhibit the varied cultures of the countries bordering the Pacific Ocean; and

WHEREAS the Congress, by an act approved September 2, 1958 (72 Stat. 1703), has authorized the President, by proclamation or in such manner as he may deem proper, to invite the several States of the Union and foreign countries to take part in the Exposition; and

WHEREAS such participation by the several States and foreign countries will contribute to the welfare of all participants by promoting domestic and international

¹ 24 Fed. Reg. 5707.

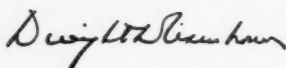
commerce and furthering understanding among peoples through the interchange of scientific and cultural knowledge; and

WHEREAS the Governor of the State of Washington will invite the several States of the Union to take part in the Exposition:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby authorize and direct the Secretary of State to invite, on my behalf, such foreign countries as he may consider appropriate to take part in the World Science-Pan Pacific Exposition: *Provided*, that no Communist *de facto* government holding any people of the Pacific Rim in subjugation shall be invited to participate.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this tenth day of July in the year of our Lord nineteen hundred [SEAL] and fifty-nine, and of the Independence of the United States of America the one hundred and eighty-fourth.



By the President:

DOUGLAS DILLON,

Acting Secretary of State.

U.S. Communications Facility To Be Established in Pakistan

Press release 529 dated July 18

The Governments of Pakistan and of the United States on July 18 signed an agreement at Karachi formalizing previous arrangements between Pakistan and the United States for the establishment and operation of a communications unit at Peshawar, Pakistan.

This facility is part of a worldwide U.S. communications system and will provide a link between stations in the Middle East and the Pacific areas. It is located at sites outside the city of Peshawar and is staffed by personnel of the U.S. Air Force. A construction program is currently under way to provide living and operating facilities for the members of this unit.

Development Loans

Bolivia

The U.S. Development Loan Fund on July 9 announced basic approval and commitment of

funds for a \$1.5 million loan to the Government of Bolivia to assist in improving the El Alto Airport at La Paz. For details, see Department of State press release 498 dated July 9.

Korea

The Development Loan Fund on July 9 announced basic approval and commitment of funds for a \$5 million loan to the Korean Reconstruction Bank, owned by the Government of Korea, to help finance loans to small private enterprises for the foreign-exchange costs of machinery, equipment, and services. For details, see Department of State press release 496 dated July 9.

Pakistan

The Development Loan Fund on July 6 announced basic approval and commitment of funds for a loan of \$4.8 million to the Government of Pakistan to cover foreign-exchange costs of constructing landing facilities for large commercial jet aircraft at Karachi International Airport. For details, see Department of State press release 485 dated July 6.

The Development Loan Fund and the Chittagong Port Commission, a public agency in East Pakistan, signed a loan agreement at Washington, D.C., on July 10 whereby the DLF will lend the Commission \$2 million to procure equipment needed to enable Chittagong harbor to operate on a 24-hour basis. For details, see Department of State press release 501 dated July 10.

Philippines

The Development Loan Fund and the Bataan Pulp and Paper Mills, Inc., a privately owned firm in the Philippines, signed a loan agreement at Washington, D.C., on July 10 whereby the DLF will lend \$5.3 million to the firm to help establish a new plant to make pulp from bamboo. For details, see Department of State press release 505 dated July 10.

Turkey

The Development Loan Fund on July 10 announced basic approval and commitment of funds for a \$7 million loan to the ETIBANK of Turkey. The sum will be used for extension and improvement of the electric power distribution networks of 15 municipal utility systems in Turkey. For details, see Department of State press release 502 dated July 10.

Department's Views on Proposed Passport Legislation

Statement by Deputy Under Secretary Murphy¹

We are grateful for the opportunity to speak to the members of the committee about the importance of passport legislation and particularly about the urgent necessity of legislation concerning the granting of passports to American supporters of international communism.

We find it necessary to request such legislation because of certain decisions of the Supreme Court of the United States. In June 1958, in the *Kent-Briehl*² and *Dayton*³ cases, the Supreme Court by a majority of five to four said, in effect, that the Secretary of State has never been given the authority by Congress to deny passports to members or supporters of the international Communist movement or even to persons whom he has specifically found are going abroad willfully and knowingly to engage in activities which would advance that movement. The Court did not hold that it was unconstitutional to deny passports to Communists but only said that the Secretary lacked legislative authority to do so. The Court also said that any legislation giving the Secretary such authority must carefully protect the constitutional rights of citizens.

Since that time the administration has been urgently seeking the passage of such legislation by the Congress. A year ago this week I had the privilege of appearing before your committee to testify about the urgent need for legislation empowering the Secretary of State to refuse passports to certain supporters of the international Communist movement.⁴ At that time the administration had suggested a comprehensive bill on passport matters, but it was pointed out to the committee that we were not suggesting that particular bill reflected the only possible approach to the outstanding problems.

Last year's hearings, before this committee and before the House Foreign Affairs Committee, indicated there was some congressional preference for a measure dealing separately with the Communist problem. Indeed, the House passed such a bill in the closing days of the last session. It was not acted on by the Senate.

We still believe a comprehensive measure is ultimately desirable. The critical problem at the moment, however, is to remedy the total lack of legislative authority to deny passports to really dangerous participants in the international Communist conspiracy. Accordingly the Department has strongly supported such remedial proposals now before the Congress. And these represent what we believe is the minimum required in the light of the danger to which the country is exposed at present.

In his message to the Congress last year the President himself emphasized this danger which has continued unabated and makes legislation in this field essential.

No doubt all of us are aware of the problems arising as a result of this situation and have an opportunity to appreciate the nature and the conspiratorial methods of international communism which, as the late Secretary Dulles stated, "seeks

¹ Made before the Senate Foreign Relations Committee on July 13 (press release 509).

² *Kent v. Dulles*, 357 U.S. 116 (1958).

³ *Dayton v. Dulles*, 357 U.S. 144 (1958).

⁴ For text of Mr. Murphy's statement, together with a message from the President to the Congress and a letter from Secretary Dulles, see BULLETIN of Aug. 11, 1958, p. 250; for a statement made before the Internal Security Subcommittee of the Senate Committee on the Judiciary on Apr. 29, 1959, by John W. Hanes, Jr., Administrator of the Bureau of Security and Consular Affairs, see *ibid.*, May 18, 1959, p. 723.

to unify and harmonize the world by gaining control of all national governments.”⁵

Travel Essential to Communist Conspiracy

During my testimony last year it was pointed out that the changes in Soviet leadership during the past few years have not in any way altered the basic tenets and goals of communism as described by Marx and Lenin.

It is still basic Communist doctrine that all non-Communist governments must be subverted or overthrown, and international communism is at war with the rest of the world every day and in every way. It maintains in every foreign country and particularly in the United States a vast, well-trained, well-financed, subversive organization solely devoted to winning that war. Some members of that organization hold American citizenship, but their allegiance is not American and their loyalty and service is to international communism. The use of the citizens of “bourgeois” countries is eagerly sought. Contacts with them are necessary, and travel by them is essential. Party conferences and meetings of a host of front organizations throughout the world is an essential part of the apparatus. Travel is necessary to attend them.

The efficient operation of any worldwide organization requires communication and personal contact. This is even more true of an organization operating secretly and often illegally. Such organizations in sensitive matters often fear and avoid written communications for obvious reasons and instead use personal assignments and personal discipline. The essence of such a conspiracy is secure communication. It is an elemental rule of Communists to communicate by word of mouth rather than in writing and to avoid the usual communications facilities. If their vast personal communication network is impaired, their organization is placed under a serious handicap. It is our view that their communication should not be facilitated.

We already have legislation which enables us to control travel into this country by foreign Communists. To close the gap it is necessary to complement that legislation with a measure which will enable us to deny passports in certain cases, thus controlling travel of American Communists abroad.

⁵ *Ibid.*, Dec. 8, 1958, p. 897.

The situation today is no less acute than it was last year. Only recently the Director of the Federal Bureau of Investigation reported to the Attorney General that:

At the present time the Soviets are intensifying their espionage activities in the United States. They are interested in all types of intelligence, especially military, atomic, missile and related data. Also a revitalization of the Party's internal structure is now under way. Leaders completely loyal to the Kremlin are in control. The result is a renewed party activity aimed at strengthening the Communist apparatus. At present, a recruiting program is in progress. New officers are being selected in the Communist Party units across the country. The youth organization is being vitalized, schools are being held to train party leaders, and efforts are under way to increase overall party work.

Putting the Problem in Perspective

I would like very briefly to endeavor to put the problem of control of Communist travel in proper perspective. For the 2 calendar years preceding the Supreme Court decisions of last summer, over a million passports were issued or renewed. Out of this group, 51 were initially and tentatively turned down because of their alleged affiliation with the Communist movement. These individuals were afforded access to a rather elaborate hearing-and-appeal machinery. Indeed, since that machinery was established in 1952—a period of 6 years—only 15 persons have been finally denied passports on Communist grounds after they had exhausted their administrative remedies. Some others were granted passports after hearings, and some did not contest the Department's ruling.

You may ask why, if that represents the scope of the problem posed by the travel of Communists, are we so concerned and why do we really need congressional authority to do something about it?

When our regulations on control of Communists were in effect, most of the really active Communists refrained from applying for a passport. The few who did apply were usually stopped at the threshold because they were unwilling to supply the Department with a sworn statement concerning their current and past affiliation with the Communist Party.

There can be no doubt about the deterring effect of our regulations and the affidavit requirement. For, since the Supreme Court decisions of last year, the old-line, hard-core Communists have applied for and have had to be granted passports.

The objectives of the desired legislation were

aply described by the late Secretary Dulles to the Congress last year, in these words:⁶

I think there can be no doubt in anyone's mind that we are today engaged for survival in a bitter struggle against the International Communist Movement. . . . [This] Movement seeks everywhere to thwart United States foreign policy. It seeks on every front to influence foreign governments and peoples against the United States and eventually by every means, including violence, to encircle the United States and subordinate us to its will. The issuance of United States passports to supporters of that Movement facilitates their travel to and in foreign countries. It clothes them when abroad with all the dignity and protection that our Government affords. Surely, our Government should be in a position to deny passports to such persons.

President Eisenhower, on the same date, added:

In exercising these necessary limitations on the issuance of passports, the executive branch is greatly concerned with seeing to it that the inherent rights of American citizens are preserved. Any limitations on the right to travel can only be tolerated in terms of overriding requirements of our national security, and must be subject to substantive and procedural guaranties.

These two messages clearly express both the purpose and the limits which we feel the required legislation should have. In simple terms, we need legislative authorization for the Secretary of State to deny passports (as appropriate) to persons who are presently engaging in activities knowingly intended to further the purposes of the international Communist movement.

Basis for Passport Denial

You will notice that I spoke of people who are engaging in *activities* and that I further said *presently* engaging. We think both these matters are important.

We neither seek nor want the authority to deny passports because of "associations and beliefs" but only because of knowing engagement in activities for the purpose of advancing the Communist movement. We also do not seek authority to deny passports to American citizens who are not today a danger to our security, even though at some time in the past they may have supported the Communist conspiracy. We do believe that present membership in the Communist Party or present activities under party discipline or under the direction or control of the Communist movement, regardless of any formal affiliation with the

Communist Party, should be considered as activities in furtherance of the international Communist movement. When a person is knowingly engaging in such activities, he should carry the burden of demonstrating clearly that he will not engage in such activities while abroad. On balance this is fair, since the Department first has to show that the person is knowingly engaging in such activities.

Past actions alone, of course, should not disqualify an applicant from receiving a passport, although past activities cannot be ignored entirely in making a determination about the present and future.

If a person does come within those carefully defined categories, the Secretary of State should be able to deny him a passport without demonstrating the specific harm which the applicant may do on a specific future trip. Indeed, at the time of application, a Communist may have no specific trip or mission in mind, and he may not receive his orders until long after he receives his passport.

As a general rule we cannot show in advance what a dedicated Communist is going to do on a particular trip abroad. We may find out many years later. We may never know. Communists, being a conspiratorial lot, operate in secrecy where secrecy is necessary. They do not tell us on their passport applications that they seek to subvert us. In fact they will undoubtedly swear the opposite if necessary. We may have some indication what a particular Communist intends to do abroad, but this is the exception rather than the rule. The fact is, the more nefarious his purpose, the more important his mission, the less likely we are to know about it; and even if we do know we would, in all probability, not be in a position to document it for the open record. Our foreign intelligence depends in large measure upon the close cooperation with other friendly governments, and we cannot afford to prejudice our arrangements in this area. We must be able to anticipate harm to our foreign relations and our national security. The action we take is and should be preventive and not punitive.

Safeguarding Interests of Individual Applicants

A few words about the often misunderstood but important aspect of confidential information. We certainly do not seek legislative authority to avoid all confrontation and to rely absolutely on con-

⁶ *Ibid.*, Aug. 11, 1958, p. 250.

fidential information which the applicant would have no opportunity to rebut. On the other hand, from our experience and careful analysis of past cases we know that legislation which would prevent us from utilizing any confidential information whatsoever or requiring full confrontation would place the Department in an impossible position with regard to Communist passport applicants. Such legislation would be meaningless and would indeed generate the dangerous illusion that travel of Communists was controllable when in actual operation it would not be.

Almost without exception the really dangerous cases in the Communist area involve some information from highly confidential sources, the disclosure of the full details of which would serve to compromise the source. It is somewhat of an anomaly that the more recent, the more meaningful the information of this type, the less likely we are to be able to disclose the source or the full details. This is true because the best information, the most current intelligence, comes from sources within the Communist movement itself. If we were placed in the position of having to choose between exposing or compromising a current and continuing source of information about the activities of the Communist conspiracy and issuing a passport to an individual member of that conspiracy, the Department would in most cases have no alternative but to issue the passport.

National security often will not permit the surfacing of such valuable sources for the sake of individual administrative proceedings. A procedure which requires it, in effect, guarantees the most dedicated and dangerous Communist a right to travel. The same situation obtains with regard to highly sensitive information obtained from foreign sources or our own diplomatic and consular representatives abroad.

However, even with regard to this kind of information we have not operated, nor do we propose to operate, in an unrestricted manner. If the full disclosure of information and the sources thereof would not, in the opinion of the Secretary of State, have a substantial adverse effect upon the national security or the conduct of foreign relations, then the Department would either disclose both or not rely upon the information. Under existing case law there must be findings of fact by the Secretary of State and these findings must state the extent to which they are based upon confidential informa-

tion and must set forth specifically the reasons why such information cannot be fully disclosed. This procedure would be continued. Under this requirement the Secretary could hardly, even if he were so disposed, render a decision based on malicious whisperings.

In any event the Department is prepared to do its utmost to safeguard the interests of the individual applicant. Accordingly it would provide the passport applicant with a fair résumé of any confidential evidence which could not be disclosed fully. The applicant would then have adequate notice of the points in issue and would be given an opportunity to rebut this information.

I believe that when the Secretary of State asserts that he cannot spread certain information on an open record, explains with as much particularity as possible the reasons he cannot do so, furnishes a fair summary of the information, and makes specific findings of fact, we should rely on the Secretary's integrity and accept his statement.

Oath Requirements

Lastly, there should be legislative approval of a reasonable oath requirement as to present or near-past Communist Party membership. Of course, if we receive legislative authorization to deny passports to these persons actively engaged in the Communist conspiracy, we would no doubt have legal authority to require an appropriate affidavit by departmental regulations. We think it desirable, however, to have a clear expression of congressional approval on this subject.

The oath requirement under our now defunct regulations was very helpful to us. So long as the requirement is reasonable and pertinent to the criteria for the denial of a passport, we see no reason why such an affidavit should not be furnished in connection with the application. We do not believe that it infringes unduly on the rights of one seeking a passport to require such an affidavit to help expedite the processing of applications. We have never employed, nor do we seek legislative approval to employ, a so-called "test" oath. The affidavit would not have to be answered in any particular way in order for the applicant to receive a passport. Nor would any particular answer cut short the administrative procedure open to the applicant. His answer would be merely another factor in the consideration of his case on the merits. All we ask is the

right to request a simple statement from the applicant as a prerequisite to proceeding further with the consideration of his case.

The Bills Under Consideration

I would now like, with the committee's permission, to comment briefly on the bills which are before you.

S. 1973

S. 1973 would extend the initial period of validity of the passport from 2 years to 3 years, making the maximum period of validity 5 years instead of 4 years. The Department has advised the committee that it favors the enactment of S. 1973 into law. This proposal is in general accord with the recommendations of the Randall report to the President on international travel.⁷ This extension of the life of the passport would be of considerable benefit to the traveling public and, of course, would cut down on the workload of the Passport Office. Moreover, the 3-year period of original validity and the 2-year period of renewal conform to the periods of foreign residence for loss of nationality by naturalized citizens under the Immigration and Nationality Act.

S. 806

This bill would not only fail to provide legislative authority to the Secretary of State to deny passports to active Communists but would require him to issue passports to such persons within 30 days of application. In addition the bill would deprive the Secretary of State of all authority over the passport-issuing function on the basis of his delegated responsibility for the conduct of foreign relations, authority recently upheld by the Court of Appeals and which was not at issue in the Supreme Court cases of last June. Accordingly, the Department is strongly opposed to any bill which would in effect abolish all authority over the issuance of passports except in time of actual hostilities. This bill, we believe, would seriously handicap the conduct of our foreign relations.

S. 2287

The Department's views on S. 2287 were requested just last week. Although we have not

had an opportunity thoroughly to analyze the bill, it appears to be a revision of S. 2770 introduced in the 85th Congress. While the preamble of this new bill states that it is designed to promote the foreign policy of the United States, we believe the bill itself would severely restrict the existing authority of the Secretary of State to act on considerations of foreign policy in the passport field.

Since commenting on S. 2770 in the 85th Congress, there have been no developments that have in any way lessened the Department's conviction that the Secretary of State may deny passports on the basis of anticipated harm to the foreign relations of the United States or that have weakened the Department's opposition to legislation depriving the President's chief officer concerned with foreign affairs of such authority. In fact, the United States Court of Appeals for the District of Columbia in the case of *Worthy v. Herter* recently upheld the Secretary of State's denial of a passport to an individual on the basis of the belief that he would travel to areas for which his passport was not valid and thereby prejudice the conduct of our foreign relations.

Of no less importance is the failure of S. 2287 effectively to provide for the denial of passports to Communists. Although the bill contains a provision for denial of passports on grounds of national security, it rather closely follows the recommendations of the New York City Bar Association report. That report made it clear that travel should not be restrained on the basis of membership in the Communist party or any other organization and that their recommended provisions envisage an "evidentiary showing that travel of a particular individual will constitute a definable danger to the national security of the United States."

For the reasons I have already discussed, such a showing would be virtually impossible to make in almost any Communist case or, for that matter, even in the criminal-type cases against which S. 2287 appears to be directed.

S. 2315

The Department has strongly supported a similar bill in comments to the Foreign Affairs Committee of the House. We believe that S. 2315 is a bill which would give the Department the legislative authority it needs to deny passports to those persons currently engaged in Communist

⁷ H. Doc. 381, 85th Cong., 2d sess. Clarence B. Randall is Special Assistant to the President for Foreign Economic Policy.

activities. The Department strongly supports the enactment of S. 2315 into law and hopes this committee will report it favorably to the Senate.

The Attorney General has advised me that the Department of Justice shares the view of the Department of State that the enactment of legislation along the more comprehensive lines of the administration's bill in the last Congress would be preferable. However, he agrees with us that our most urgent current problem in the passport field is the lack of congressional authority to deny passports to those persons in situations where information establishes that their travel abroad would constitute a real danger to the United States. Accordingly, if the Congress decides to enact legislation dealing with this narrower problem, the Attorney General informed me that his Department joins with the Department of State in supporting the provisions of S. 2315 and believes it would supply statutory authority found lacking by the Supreme Court in the Kent-Briehl and Dayton cases.

Department Urges Ratification of Two Broadcasting Agreements

Following is a statement by W. T. M. Beale, Deputy Assistant Secretary for Economic Affairs, made on July 9 before a subcommittee of the Senate Committee on Foreign Relations considering the North American Regional Broadcasting Agreement (S. Ex. A, 82d Cong., 1st sess.) and the U.S.-Mexican Broadcasting Agreement (S. Ex. G, 85th Cong., 1st sess.).¹

STATEMENT BY MR. BEALE

Press release 497 dated July 9

The Department of State appreciates this opportunity to bring again to the attention of the committee the need for ratification of these two standard broadcasting band agreements. We believe that the major issues which previously caused a postponement of action on advice and consent to ratification have now been resolved and trust that a favorable decision can now be made. My Department sent a letter² on April 30 to Senator Fulbright again supporting the need for the

The Attorney General commented that his Department might have certain technical questions to suggest in S. 2315 in the event the committee requests his comment on the bill. However, he and I were certain from our discussion that there would be no important difference of views between the Justice Department and the Department of State on any such technical points.

In summary I hope I have made clear the Department's earnest desire to establish a fair administrative process by which we can achieve a balance between danger to the security of the United States and the citizen's right not to have his freedom of movement unreasonably restricted. We seek only the means to protect the United States by denying passports to those relatively few citizens who are knowingly engaged in the activities of the Communist conspiracy and whose travel abroad would thus be likely to impair the security of the United States.

United States to become a party to these two agreements.

It is probably unnecessary to reiterate the statements made previously by representatives of my Department as they are in the committee records, but I would like to describe the treaties briefly and emphasize a few points. They relate to the use of the standard broadcasting band (535 to 1605 kc.) and are essential to the orderly development of this broadcasting service in each country, especially the United States, where there are more than 3,500 stations.

The North American region consists of the Bahama Islands, Jamaica, Canada, Cuba, the Dominican Republic, Haiti, Mexico, and the United States. All of these countries except Haiti and Mexico signed the proposed NARBA. Cuba and Canada have ratified. If the United States now ratifies, the NARBA treaty will come into force within 15 days after the deposit of ratification, and it is expected that the remaining coun-

¹ For background, see BULLETIN of Aug. 5, 1957, p. 242.

² Not printed here.

tries will ratify. Mexico, which does not plan to adhere to the present NARBA, has entered into the pending bilateral agreement with the United States, and the Department is informed that, if the United States ratifies this agreement during this session of Congress, Mexico can ratify in September. Canada ratified with a reservation in regard to Canadian use of power greater than the maximum permitted under the NARBA on certain channels. This reservation creates no difficulties for the United States since it provides that stations on the same or adjacent channels will be protected from the increase in power. Moreover, Canadian officials discussed this matter informally with United States officials prior to making the reservation and received assurance that it would not adversely affect United States interests.

All parties to that treaty have, in anticipation of its coming into force, endeavored to do nothing contrary to its terms during the time since it was signed. In certain instances, however, borderline cases have permitted apparent deviations for which there is no effective legal remedy in the absence of the treaty. The longer these deviations remain uncorrected, the more others are encouraged to attempt further deviations. It is as though traffic police were withdrawn from a dangerous stretch of highway. For a while there is little change in the traffic situation because the travelers expect the police to return. The longer they are away, however, the more violations will occur even though the laws are still "on the books."

Because of the passage of time and the continued growth of broadcasting in all countries of the region, the problems have become even more complex and the stabilizing influence of the treaties is even more essential to their satisfactory solution. Those concerned are convinced that they have negotiated the best possible agreements under the circumstances. In the opinion of my Department the effect of continued delay will be the same as outright refusal to permit ratification.

The factors which have, heretofore, raised questions about ratification all related to the clear channels (classes 1-A and 1-B). At first the Clear Channel Broadcasting Service and a few farm groups did not wish ratification in the absence of an agreement with Mexico on broadcasting. Later, the United States having concluded the agreement with Mexico now before this committee, the opposition of the CCBS was with-

drawn. However, some of those persons operating stations only during the daytime on the Mexican clear channels opposed ratification of the agreement with Mexico because it does not meet their desires in extending their operations.

Throughout the protracted negotiations for the NARBA and the Mexican agreement, my Department and the Federal Communications Commission have worked together very closely. The United States broadcasting industry has been fully consulted, and many representatives of the industry have participated in the negotiations as advisers to the United States delegation. We believe that the agreements continue to have widespread support in the industry.

Neither the Commission nor my Department will claim that these agreements fully meet the desires of every single standard-band broadcasting station in the United States. We do believe that the stability and the protection from future interference that will result will be of benefit to all. The negotiation of agreements in this field is not a simple matter. The standard broadcast band is limited. Each country wants more of it than can be arranged. The result is, of necessity, a compromise.

I urge the committee to keep in mind the fact that without such an agreement there is no assurance that any channel can be free of interference from a foreign station. Without the legal basis provided by the agreements there are no agreed-upon norms for making station assignments or evaluating interference. Thus, in the absence of agreement, if interference does occur from foreign stations it will be difficult, if not impossible, for my Department to protect United States broadcasting. We trust this committee will find, on full review of the facts, that these proposed treaties are in the best interests of the United States; that they adequately protect the listening public; and that they do so with a minimum of change for the broadcasting industry of this country.

When my predecessor appeared on behalf of the Department at the last hearing he presented a brief history of the previous agreements in the North American region and of the negotiating history of the proposed NARBA and the Mexican agreement. This history has been brought up to date, and I would like to submit a copy for the record at this time.

NEGOTIATING HISTORY¹

NEGOTIATING HISTORY OF THE NORTH AMERICAN REGIONAL BROADCASTING AGREEMENT, 1950 AND THE U.S./MEXICAN BROADCASTING AGREEMENT, 1957

The series of negotiations pursuant to the new NARBA were as follows:

- a. Meeting of Technicians at Habana, Cuba, Nov. 1-Dec. 6, 1947.
- b. Trip of Ambassador Albert F. Nufer (State) and Commissioner George E. Sterling (FCC) to Habana, Cuba, Sept. 8-10, 1949 to discuss forthcoming NARBA Conference with Cuban Minister of State and other Cuban officials.
- c. First session of the third NARBA Conference, Montreal, Canada, Sept. 13-Dec. 8, 1949 (Recessed without reaching agreement due to differences between the United States and Cuba over station assignments).
- d. U.S. Delegation spent Feb. 1-Mar. 24, 1950, in Habana, in an unsuccessful effort to reconcile U.S./Cuban differences.
- e. Second session of the NARBA Conference, Washington, D.C., Sept. 6-Nov. 15, 1950 (Agreement reached and signed on November 15, 1950, by all parties except Mexico and Haiti).
- f. A subcommittee of the Senate Foreign Relations Committee, under the chairmanship of the late Senator Tobey, held hearings on the NARBA, July 8-9-10, 1953.
- g. A subcommittee of the Senate Foreign Relations Committee under the chairmanship of Senator Fulbright held hearings on the NARBA and the U.S./Mexican Broadcasting Agreement, July 11, 1957.

The series of negotiations pursuant to the U.S./Mexican Broadcasting Agreement was as follows:

- a. Second session NARBA Conference, Washington, D.C., Sept. 6-Nov. 15, 1950 (On October 18, 1950, Mexico withdrew from the Conference, prior to its conclusion and without reaching any agreement).
- b. Conference at Mexico City, February 2-9, 1952.
- c. Conference at Washington, D.C., March 29-April 2, 1954.
- d. Conference at Mexico City, Nov. 4-Dec. 17, 1954.
- e. Conference at Washington, D.C., July 7-28, 1955.
- f. Negotiations by Commissioner Hyde at Mexico City, Oct. 16-29, 1956.
- g. Agreement signed at Mexico City, January 29, 1957.
- h. Hearing before subcommittee of the Senate Foreign Relations Committee together with consideration of the 1950 NARBA, July 11, 1957.

Since the previous hearings the Federal Communications Commission has taken the following actions:

- a. Issued Report and Order dated September 19, 1958, denying the petition of the daytime operators on clear channels which would have permitted their operation from 5 A.M. or sunrise (whichever is earlier) until 7 P.M. or sunset (whichever is later). The largest impact of this decision affects daytime operators on U.S. clear channels, however.

¹ Submitted by Mr. Beale for the record of the hearings.

- b. Issued Public Notice dated July 2, 1959, indicating the Commission's intention to deny a further petition of the daytime operators which would have permitted their operation from 6 A.M. or sunrise (whichever is earlier) until 6 P.M. or sunset (whichever is later). The same group of operators is involved as that mentioned in a. above.

Participation in Wheat and Sugar Agreements Supported

*Statement by Thomas C. Mann
Assistant Secretary for Economic Affairs¹*

My name is Thomas C. Mann. As Assistant Secretary of State for Economic Affairs, I am appearing before the committee today in support of the continued participation of the United States in the International Wheat Agreement² and the International Sugar Agreement.³

Both the wheat and sugar agreements have now been in operation for a number of years. The first wheat agreement became effective in 1949. United States participation in an international sugar agreement has an even longer history and goes back to 1937. The United States has played a leading role in the negotiations toward these commodity agreements, and we now have considerable experience in their operation. These two commodities seem to be particularly needful of international measures to assure market stability, and it is noteworthy that an increasing number of governments are giving their support to these agreements.

I do not believe that anyone would contend that these agreements have fully solved the problems which over the years have troubled international trade in these two important commodities. They have, however, resulted in greater market stability than would have been possible without them. They provide a framework within which trade may take place under internationally agreed rules and within a price range which is agreed as fair and equitable by both producers and consumers. These agreements are of major significance to countries which are dependent on export earnings from these commodities for a substantial part of

¹ Made before the Senate Foreign Relations Committee on July 14 (press release 514).

² S. Ex. E, 86th Cong., 1st sess.

³ S. Ex. D, 86th Cong., 1st sess.

International Wheat Agreement Enters Into Force

Press release 527 dated July 17

The International Wheat Agreement, 1959, has been brought into force as a result of action taken by interested governments through July 16, 1959.

The agreement was formulated at the United Nations Wheat Conference, which concluded at Geneva on March 10, 1959. It was open for signature in Washington April 6-24 and was signed during that period in behalf of the United States and 34 other countries.¹ It was transmitted to the Senate by the President on June 1, 1959, for advice and consent to ratification.² On July 15 the Senate gave such advice and consent. The instrument of ratification constituting acceptance of the agreement by the United States was signed by the President on July 16 and deposited on that date.

It is provided in article 35 of the agreement that it shall be subject to acceptance or accession by governments concerned and that instruments of acceptance or accession by such governments shall be deposited with the United States Government. It is provided that part I and parts III to VIII of the agreement shall enter into force on July 16 and part II on August 1 between those governments which have by July 16 accepted or acceded, pursuant to specified provisions, provided that such governments hold not less than two-thirds of the votes of exporting countries and not less than two-thirds of the votes of importing countries in accordance with the distribution of votes established in articles 24 and 25. It is provided further that if any of the governments concerned gives on or before July 16 a notification of intention to accept or accede, followed by the deposit of an instrument of acceptance or accession not later than December 1, 1959, in fulfillment of that intention, such notification shall be deemed to constitute acceptance or accession on July 16 for the purposes of article 35.

Of the nine exporting countries named in article 24 of the agreement, instruments of acceptance were deposited on or before July 16 by three, namely, the

United States, Canada, and France, and notifications of intention were given on or before July 16 by six, namely, Argentina, Australia, Italy, Mexico, Spain, and Sweden. The United States and Canada together hold more than two-thirds of the votes of exporting countries.

Of the 30 importing countries named in article 25 of the agreement, instruments of acceptance or accession were deposited on or before July 16 by 10, namely, Austria, Federation of Rhodesia and Nyasaland, India, New Zealand, Norway, Switzerland, Union of South Africa, United Arab Republic, United Kingdom, and Vatican City, and notifications of intention were given on or before July 16 by 19, namely, Belgium (for Belgium and Luxembourg), Belgian Congo, and Ruanda-Urundi), Brazil, Cuba, Denmark, Dominican Republic, Federal Republic of Germany, Greece, Haiti, Indonesia, Ireland, Israel, Japan, Korea, Netherlands, Peru, Philippines, Portugal, Saudi Arabia, and Venezuela. Importing countries which have either deposited instruments of acceptance or accession or given notifications of intention hold more than two-thirds of the votes of importing countries.

The 1956 wheat agreement, presently in force, will expire by its own terms July 31, 1959. The International Wheat Agreement, 1959, is a 3-year agreement like that of 1956. The objectives of the agreement, as stated in article 1, are: (a) to assure supplies of wheat and wheat-flour to importing countries and markets for wheat and wheat-flour to exporting countries at equitable and stable prices; (b) to promote the expansion of the international trade in wheat and wheat-flour and to secure the freest possible flow of this trade in the interests of both exporting and importing countries; (c) to overcome the serious hardship caused to producers and consumers by burdensome surpluses and critical shortages of wheat; (d) to encourage the use and consumption of wheat and wheat-flour generally, and in particular, so as to improve health and nutrition, in countries where the possibility of increased consumption exists; and (e) in general to further international cooperation in connection with world wheat problems, recognizing the relationship of the trade in wheat to the economic stability of markets for other agricultural products.

¹ BULLETIN of June 8, 1959, p. 853.

² S. Ex. E, 86th Cong., 1st sess.

their livelihood. In contributing to the financial stability of such countries, they help to promote internationally more stable political conditions than might otherwise prevail.

These agreements serve also another important function in international relations. I have in mind in this connection the fact that the commodity councils which are established to operate them provide forums where the participating countries may review and discuss their difficulties. In thus

arriving at a common understanding of the causes of their difficulties and of how their problems are related, such countries, instead of blaming each other, are more likely to cooperate further toward attaining basic solutions which are of mutual benefit to all concerned.

The new wheat and sugar agreements which are under consideration contain a number of changes which have already been described. We believe these changes represent substantial improvements

and will increase the efficiency of the agreements.

The Department of State believes that it would be to the advantage of the United States both from the standpoint of its domestic interests and

from the standpoint of its foreign relations to continue our participation in these agreements and recommends their favorable consideration by this committee.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Calendar of International Conferences and Meetings ¹

Adjourned During July 1959

6th International Electronic and Nuclear Exhibit and Congress . . .	Rome	June 15-July 5
ICAO Assembly: 12th Session	San Diego	June 16-July 9
ICAO Meteorological Operational Telecommunications Network Europe Panel	Paris	June 22-July 4
9th International Berlin Film Festival	Berlin	June 26-July 7
15th International Dairy Congress	London	June 29-July 3
U.N. ECE Special Meeting on Organization and Techniques of Foreign Trade (including payments)	Geneva	June 29-July 3
FAO Desert Locust Control Committee: 6th Session	Rome	June 29-July 4
GATT Committee on Balance-of-Payments Restrictions	Geneva	June 29-July 11
U.N. Economic and Social Council: 25th Session	Geneva	June 30-July 31
Conference on Prevention of Oil Pollution of the Seas	Copenhagen	July 3-4
Caribbean Commission: 3d Caribbean Fisheries Seminar	St. Maarten, Netherlands Antilles	July 3-8
IAEA Seminar on Training of Specialists in the Peaceful Uses of Atomic Energy	Saclay, France	July 6-10
IMCO Council: 2d Session	London	July 6-10
International Seed Testing Association: 12th Congress	Oslo	July 6-11
U.N. Seminar on Urbanization in Latin America	Santiago	July 6-8
UNESCO/IBE: 22d International Conference on Public Education	Geneva	July 6-15
FAO European Forestry Commission: 10th Session	Rome	July 7-13
IBE Council: 25th Session	Geneva	July 11 (1 day)
Inter-American Indian Institute: Governing Board	México, D.F.	July 16 (1 day)
International Wheat Council: 26th and 27th Sessions	London	July 16-19
PAIGH Directing Council: 4th Meeting	México, D.F.	July 20-30

In Session as of July 31, 1959

Political Discussions on Suspension of Nuclear Tests	Geneva	Oct. 31, 1958-
PAHO Subcommittee To Study the Constitution and Rules of Procedure	Washington	Apr. 13-
Meeting of Foreign Ministers	Geneva	May 11-
U.N. Trusteeship Council: 24th Session	New York	June 2-
Venice Film Festival	Venice	July 2-
ICAO Airworthiness Committee: 3d Meeting	Stockholm	July 14-
West Indian Conference: Special Session	St. Thomas, Virgin Islands	July 28-

Scheduled August 1 Through October 31, 1959

Caribbean Commission: 28th Meeting	St. Thomas, Virgin Islands	Aug. 8-
2d General Assembly of the International Union of Physiological Sciences and 21st International Congress of Physiology	Buenos Aires	Aug. 9-
Commonwealth Survey Officers: Military Survey and Mapping Conference	England	Aug. 11-
Commonwealth Survey Officers	Cambridge, England	Aug. 17-

¹ Prepared in the Office of International Conferences, July 16, 1959. Following is a list of abbreviations: ECAFE, Economic Commission for Asia and the Far East; ECE, Economic Commission for Europe; FAO, Food and Agriculture Organization; GATT, General Agreement on Tariffs and Trade; IAEA, International Atomic Energy Agency; IBE, International Bureau of Education; ICAO, International Civil Aviation Organization; ICEM, Intergovernmental Committee for European Migration; ILO, International Labor Organization; IMCO, Intergovernmental Maritime Consultative Organization; ITU, International Telecommunication Union; PAHO, Pan American Health Organization; PAIGH, Pan American Institute of Geography and History; U.N., United Nations; UNESCO, United Nations Educational, Scientific and Cultural Organization; UNICEF, United Nations Children's Fund; WHO, World Health Organization; WMO, World Meteorological Organization.

FAO Group on Coconut and Coconut Products: 2d Session of Working Party on Copra Quality and Grading.	Colombo	Aug. 17-
ITU Administrative Radio Conference	Geneva	Aug. 17-
ICAO Legal Committee: 12th Session	Munich	Aug. 18-
13th Annual Edinburgh Film Festival	Edinburgh	Aug. 23-
Inter-American Council of Jurists: 4th Session	Santiago	Aug. 24-
Interparliamentary Union: 48th Conference	Warsaw	Aug. 25-
17th International Congress of Pure and Applied Chemistry	Munich	Aug. 30-
U.N. Seminar on Judicial and Other Remedies Against Abuse of Administrative Authority.	Buenos Aires	Aug. 31-
ICAO Meteorological Division: 5th Session (joint session with WMO Commission for Aeronautical Meteorology).	Montreal	Sept. 1-
International Union of History and Philosophy of Science: 1st General Assembly.	Barcelona	Sept. 1-
IAEA Conference on the Application of Large Radiation Sources in Industry.	Warsaw	Sept. 5-
International Astronomical Union: Executive Committee	Herstmonceux, England	Sept. 7-
U.N. ECAFE Industry and Natural Resources Committee: Working Party on Earthmoving Operations.	New Delhi	Sept. 7-
UNICEF Executive Board and Program Committee	New York	Sept. 8-
Pan American Highway Congresses: Technical Committee of Experts on Planning.	Rio de Janeiro	Sept. 14-
IAEA Board of Governors	Vienna	Sept. 15-
U.N. General Assembly: 14th Session	New York	Sept. 15-
U.N. ECAFE Working Party on Economic Development and Planning: 5th Session.	Bangkok	Sept. 15-
WHO Regional Committee for Western Pacific: 10th Session	Taipei	Sept. 16-
PAHO Directing Council: 11th Meeting	Washington	Sept. 21-
11th International Road Congress	Rio de Janeiro	Sept. 21-
U.N. ECE Inland Transport Committee: Working Party on Transport of Dangerous Goods.	Geneva	Sept. 21-
IAEA General Conference: 3d Regular Session	Vienna	Sept. 22-
FAO Expert Meeting on Fisheries Statistics in North Atlantic Area.	Edinburgh	Sept. 22-
FAO International Poplar Commission and 7th International Poplar Congress.	Rome	Sept. 23-
International Bank for Reconstruction and Development, International Monetary Fund, International Finance Corporation: Annual Meetings of Boards of Governors.	Washington	Sept. 28-
ICAO Jet Operations Requirements Panel: 4th Meeting.	Montreal	Sept. 28-
U.N. ECAFE Industry and Natural Resources Committee: 7th Session of the Subcommittee on Electric Power.	Tokyo	Sept. 29-
PAHO Executive Committee: 38th Meeting	Washington	September
International Council for the Exploration of the Sea: 47th Annual Meeting.	Copenhagen	Oct. 5-
Baghdad Pact Ministerial Council: 7th Meeting	Washington	Oct. 7-
Executive Committee of the Program of the U.N. High Commissioner for Refugees.	Geneva	Oct. 7-
9th International Congress of Vineyards and Wines	Algiers	Oct. 8-
South Pacific Commission: 20th Session	Nouméa, New Caledonia	Oct. 10-
GATT Committee on Balance-of-Payments Restrictions	undetermined	Oct. 12-
ILO Panel of Consultants on Women's Work	Geneva	Oct. 12-
U.N. ECE Timber Committee: 17th Session	Geneva	Oct. 12-
IAEA Symposium on Meteorology of Radionuclides	Vienna	Oct. 14-
ITU Plenipotentiary Conference	Geneva	Oct. 14-
International Conference on Antarctica	Washington	Oct. 15-
ILO Building, Civil Engineering, and Public Works Committee: 6th Session.	Geneva	Oct. 19-
U.N. ECE Conference of European Statisticians: Working Group on Statistics of Private Consumption Expenditure.	Geneva	Oct. 19-
ICEM Executive Committee: 13th Session	Geneva	Oct. 20-
FAO Committee on Commodity Problems: 32d Session	Rome	Oct. 22-
Consultative Committee on Cooperative Economic Development in South and Southeast Asia ("Colombo Plan"): 11th Meeting.		
Officials Meeting	Jogjakarta	Oct. 26-
Ministerial Meeting	Jogjakarta	Nov. 10-
GATT Contracting Parties: 15th Session	Tokyo	Oct. 26-
GATT Working Party on Commodities	Tokyo	Oct. 26-
U.N. ECE Committee on Development of Trade and East-West Trade Consultations.	Geneva	Oct. 26-
U.N. Scientific Advisory Committee	New York	Oct. 28-
FAO Council: 32d Session	Rome	Oct. 29-
ICEM Council: 11th Session	Geneva	Oct. 29-
PAHO Executive Committee: 39th Meeting	Washington	October
U.N. ECAFE Committee on Inland Transport and Communications: 6th Session of the Railway Subcommittee.	Lahore	October
UNESCO Intergovernmental Copyright Committee: 4th Session	Munich	October

Recent Economic Developments in the United States

*Statement by Christopher H. Phillips
U.S. Representative on the U.N. Economic and Social Council¹*

When we discussed the world economic situation a year ago, the prevailing note in this Council was one of misgiving and even gloom. Fears were expressed that the recession in the United States would last much longer and cut much deeper than the two mild downturns that the United States had previously experienced in the postwar period. The impact on the primary producing countries was expected to be prolonged and severe. There was concern that the gains achieved by the world economy during the past decade would be impaired and that future progress would be long delayed.

The Council may recall, Mr. President, that I was not among the Cassandras. In my statement on the world economic situation last year² I presented a forthright account of the nature of the United States recession which began in September 1957 and of the factors which contributed to it. At the same time, however, I stated that there was strong reason to believe that the decline had been halted and would soon be followed by recovery. The facts have fully justified this optimism. The bottom of the recession was reached as early as April 1958. Though the contraction was somewhat sharper than the two previous downswings, this recession proved even shorter. The subsequent recovery has raised economic activity in the United States to new alltime highs. Western Europe, which experienced an even milder and briefer setback, has shared in the advance. While prices for certain raw materials, particularly those in chronic surplus, still remain depressed, for many other

commodities prices have strengthened, bringing prospects of improved export earnings to a large number of primary exporting countries.

Commodity Problems

Before going into more detail regarding recent economic developments in the United States, I should like to devote some attention to the subject of commodity problems, which is the theme of part I of this year's *World Economic Survey*.³ If the Council's annual discussion of the world economic situation is to achieve its best possibilities, it must, in my judgment, involve more than a report on current economic trends in our individual countries. It should also afford us an opportunity for broadening perspectives, for deepening knowledge and understanding of the factors and forces that shape the evolving patterns of the world economy, and for reaching a greater measure of agreement as to the potentials and limitations of proposed courses of action.

These are undoubtedly the purposes which the secretariat had in mind in preparing part I of this year's survey. The task that the authors undertook was a difficult one. They have so discharged it as to merit our thanks and our commendation. What they have given us is by no means light reading. The phenomena with which they dealt are so varied and complex as to limit the scope for facile generalizations. They have striven to be comprehensive and thorough. There are indeed some points where the detail may appear excessive. Many of us will doubtless have reservations regarding some aspects of the analysis. No one, however, who is willing to give part I of the survey—and I say this without

¹ Made before the 28th session of the Council at Geneva, Switzerland, on July 7.

² For text, see *BULLETIN* of Sept. 1, 1958, p. 351.

³ U.N. doc. E/3244.

any intention of detracting from the merits of the general reviews of current economic trends in part II—the careful study it deserves can fail to gain a fuller comprehension of and deeper insight into what is really involved in the so-called commodity problem.

If there is one thing that part I should bring home to us with overwhelming force, it is that the term “commodity problem” is misleading. The survey does, it is true, emphasize, as a central problem, what it terms a “lag” in the long-term growth of primary commodity trade. The survey stresses also, as a dominant short-term problem, instability of this trade, which it regards as adding to and compounding the long-term problem. Nonetheless, the survey makes abundantly clear that neither over the long term nor the short term is there anything approaching a single and clear-cut commodity problem of universal application. The commodity problem is, in other words, a complex of varied and changing problems. Many commodities may at times not meet with difficulties that press for some readjustment or remedial action. Where problems in this sense are present, they vary widely as among commodities, the countries that trade in them, and over time.

With due recognition of the oversimplification involved, it will be convenient to follow the survey in speaking of a long-term and a short-term commodity problem.

In connection with the long-term problem, the concept of a “lag,” which the survey develops in a number of different comparisons, involves some danger. It suggests some bedevilment of the world economy, something inherently unsound in its development, because the volume of world trade in primary commodities has, for example, expanded more slowly than world manufacturing output.

The incautious reader may accept this connotation, although I feel confident that the authors of the survey did not intend to convey it. They show clearly that such a lag is due to varied reasons, including deep-seated technological and structural changes in industry. Under these circumstances there are no valid grounds for believing that the persistence of the lag is any evidence of unsound conditions in the world economy or for expecting that primary commodity trade in the aggregate should expand in constant

ratio with world manufacturing activity or some similar economic phenomenon.

The survey stresses, as the most significant form of lag, the inadequacy of export earnings from primary commodities—with a few exceptions, including petroleum and some nonferrous metals—to produce the imports needed to help sustain a satisfactory rate of economic development. We may readily concede that, notwithstanding all that may be done to promote primary commodity trade, this condition may persist for many underdeveloped countries for some length of time. The corollary is simply that export earnings may need to be supplemented by outside capital. There is nothing new in this circumstance, and I doubt whether anything is gained by characterizing it as a “permanent and growing gap in the balance of payments.” Outside capital has long played an important role in the development process, including the development of countries such as the United States and Canada, which are now highly industrialized. The role it can and must fulfill in the present-day world is fully recognized. I need not now elaborate the many channels through which capital assistance is being directed to the less developed areas. The record of my own country in this connection is one of which the Council is fully aware.

In relation to the short-term commodity problem, the survey adds to the already abundant expert testimony that a large part of the instability in primary commodity markets—whether measured by volume of trade, commodity prices, or export proceeds—stems from the business cycle in the industrialized countries.

The postwar world has succeeded in keeping industrial fluctuations to moderate dimensions. The knowledge and the instruments are available for preventing any future downturn going to catastrophic depths. We can therefore hope that instability in primary commodity markets—generally speaking—may continue to be held to more modest proportions than they sometimes assumed in the past.

To the extent that control of the business cycle may still leave a degree of instability detrimental to economies heavily dependent upon the export proceeds of one or two commodities, there is, I believe, a growing willingness to look to diversification of these economies as the soundest economic road to follow. Even if diversification should not do much to reduce instability, it can materi-

ally diminish its impact. Diversification, moreover, tends to modify the export-import ratio so as to ease the long-term commodity problem. To be beneficial, diversification must, of course, proceed along lines for which an economy is well adapted. Promotion of diversification is essentially part of the process of development. Every step taken to advance economic development, whether through national or international action, contributes accordingly to the lasting amelioration of both the short-term and the long-term commodity problem.

A program of work has been initiated for the CICT [Commission on International Commodity Trade] which will include a study of the possible national and international techniques for dealing with fluctuations in primary commodity markets. In view of this circumstance and the fact that the report of the CICT will be considered under another agenda item, I shall refrain from comment at this time on the subject of commodity agreements or other pertinent commodity schemes.

Recent Experience of the U.S. Economy

I return now to the subject of the recent experience of the American economy. The recession of 1957-58 has, happily, passed into history. It differed from its postwar predecessors not only in being both sharper and shorter but in the somewhat greater contraction that occurred in fixed investment. The speed with which activity turned upward again after a 9 months' decline attests to the inherent recuperative powers of the free U.S. economy, aided by the automatic stabilizers that have been built into it. Further strength was infused into the economy by the stimulating measures taken through fiscal and monetary policy.

The American economy has now gone beyond recovery into a new expansion. Economic indicators have risen to new peaks. Look, for example, at the production indexes. Prior to the recession the high for the index of total production was 146 (taking 1947-49 as 100). During the recession the index fell to a low of 126. By May of this year it had advanced to 152. The durable goods index had climbed still higher, from a recession low of 131 to no less than 168.

The expansion has been carried principally by a rise in residential construction, in Government expenditures, and by a sharp reversal of the trend in inventories from rapid decumulation to some

degree of accumulation. Personal consumption has advanced considerably, in particular the consumption of durable goods.

Laggards in the expansion have been exports and, to a lesser degree, business investment in plant and equipment. The relatively slow advance of plant and equipment spending is to be expected in view of the great capacity increases that occurred during the years preceding the recession. Nevertheless, recent surveys show that investment plans are being revised upward and that an increase in these expenditures of at least 7 percent over 1958 can be anticipated.

Agriculture may be expected to provide somewhat less support to the economy than it did in 1958, when farm prices were rising. The reason for this is to be found mainly in somewhat lower farm prices and lower Government payments to farmers.

For 2 years prior to the recession, unemployment had remained close to 2.8 million, or 4.2 percent of the civilian labor force. This was not much above the proportion of workers who, in the best of times, are changing jobs or looking for first jobs. During the recession unemployment increased to over 5 million, approaching 8 percent of the labor force. By comparison with the strength of the recovery, improvement in the employment situation was relatively slow. Since last March, however, unemployment has dropped sharply, falling in May below 5 percent. In manufacturing, weekly hours worked have gone beyond the standard 40-hour level and average weekly earnings now exceed \$90.

During the past year significant consumer price increases have occurred only in the cost of transportation, chiefly automobiles, and in medical care. These increases have been counterbalanced by a downtrend in food prices, with the result that the consumer price index has remained virtually stable. Concurrently the wholesale price index has held almost equally stable.

Despite this stability, inflationary pressures are present in the economy. Monetary and fiscal policies are being shaped to restrain them, and impressive warnings of the dangers and evils of inflation are being disseminated by leaders in many walks of life, from the President downward. My Government has no fear that by checking inflation it may check economic growth. On the contrary, our economic and fiscal advisers are convinced

that inflation can only jeopardize and not assist healthy economic expansion. I share fully in this conviction. Domestic price stability is, I firmly believe, not only compatible with growth but a primary element in achieving it.

The U.S. Balance of Payments

The Council, I feel sure, would not wish me to conclude my remarks on the state of the United States economy without some reference to recent developments in the U.S. international payments situation which have attracted wide attention and interest.

Since 1950, with the single exception of 1957, U.S. payments for imports, for investment abroad, for military expenditures, and for foreign aid have exceeded foreign payments to the United States. As a result there has been a net accumulation of dollars by other countries which, in certain years, have used part of their dollar balances to purchase gold from the United States. This development, following a drastic decline in gold-dollar reserves of the rest of the world in the early postwar years, was a notable reflection of the growing strength of the world economy. The replenishment of foreign reserves facilitated the expansion of world trade, the reduction of trade barriers, and a lessening of discrimination against dollar goods.

The U.S. balance-of-payments position in 1957 involved some special factors. The dominant element was the upsurge of U.S. commodity exports to a record height. We met abnormal demands abroad for agricultural commodities—chiefly cotton and wheat—and, to relieve shortages following the closing of the Suez Canal, for oil.

Concurrently with the onset of the recession in the United States the situation with respect to these temporary factors changed. Foreign grain harvests improved; the need for the accumulation of cotton stocks was satisfied; the Suez Canal was reopened; business activity abroad also slackened. Our exports dropped sharply from the swollen 1957 peak, although they held close to the still substantial level of 1956. Imports, meanwhile—and this is a point I should particularly like to stress—were well maintained. Noteworthy also is the fact that we kept up our aid programs.

While the recession was halted before the middle of 1958, accumulations of gold and short-term dollar obligations by foreign countries of the free

world and international institutions amounted to over \$4 billion, raising their total gold and dollar holdings to nearly \$37 billion, or twice the postwar low of June 1948. Of this increase of \$4 billion, some \$2.3 billion represented a gold outflow from the United States—mainly to Western Europe. Another billion represented an increase in foreign dollar holdings. The remaining millions came from new production or other sources outside the United States. During the first 5 months of 1959 (to May 20th) there was a further outflow of gold from the United States amounting to \$34 million.

The strengthening of reserve positions abroad, as a result of the developments I have described, helped to make possible the dramatic moves at the end of 1958 when several European countries, including the United Kingdom, made their currencies formally convertible for nonresidents.⁴ By this convertibility move a substantial advance was made toward a sound international monetary system. I need hardly mention the importance of such a system as a mechanism for facilitating the expansion of multilateral world trade, nor the global benefits that a healthy trade expansion can confer.

The World Economic Outlook

The prevailing tone of my statement, Mr. President, has been one of optimism. There is little I need add in further justification of this attitude. What are the features of the present economic landscape that give us encouragement? In summary they are the following:

The developed countries generally are progressing. Their prosperity means good markets for the products of the less developed countries. These countries, generally, are also moving forward though for many of them the rate of advance is slower than could be wished. Recognition of the vital importance of economic development was never greater, more widespread, nor more shot through with the resolve to promote all practical measures which can contribute to the economic growth of backward economies. Technical assistance is expanding. Lessons of self-help are

⁴ For a statement on "Trade Discrimination and Currency Convertibility" made by W. T. M. Beale at the 14th session of the Contracting Parties to the General Agreement on Tariffs and Trade at Geneva on May 11, see BULLETIN of July 20, 1959, p. 25.

being learned. Important developments are underway in relation to public aid. Efforts to stimulate the flow of private investment are strengthening. World trade is progressively being made more liberal and more healthily multilateral.

We live, then, in a world economy stronger now than it has ever been in the past. Built into it, moreover, is a momentum which warrants bright hopes for the future. Men of good will everywhere can only work and pray that the international political climate will be propitious for the forward march toward ever-expanding economic goals.

Togoland Independence

*Statement by Mason Sears
U.S. Representative on the Trusteeship Council*¹

The advance of Togoland toward self-government during the last few years has been spectacular.

Since World War II—almost overnight—the airplane has brought all continents side by side. As a result Africa—almost overnight—has become one of the decisive factors which will shape the world's future, although there may be some people who do not yet appear to appreciate this fact.

But it is a fact, and one of its features is the forthcoming independence of Togoland, which after the admission of the Cameroons is expected to become the 84th member of the United Nations. Nigeria should be the 85th and Somalia the 86th, and all in 1960.

In other words, 1960 will be a big political year for Africa. But so will the year after, and the year after that, until the full impact of the African continent is driven home.

In the process nobody can be the loser if the members of the United Nations—individually and collectively and their affiliated organizations—succeed in giving proper attention and support to those new African states like Togoland which will be assuming self-government with inevitable regularity during the next few years.

While much of the world is torn by the tensions and the suspicions of what is called the cold war,

the continent of Africa is piled high with opportunities for Africans to inject new life, new ideas, and good will and their latent wealth into the international scheme of things.

That is why we welcome Togoland independence, not only for itself but as a symbol of things to be expected from Africa and Africans in the days to come. Mr. President, as the United States delegation indicated yesterday, these are some of the reasons why we thank France for what it has done to help Togoland and why we hope and believe Prime Minister [Sylvanus] Olympio will successfully lead his country through the first days of its independence toward an ever-improving standard of living.

Trust Territory of Ruanda-Urundi

*Statement by Mason Sears
U.S. Representative on the Trusteeship Council*¹

Considering all that has been taking place in Africa during the last few months—from North Africa down to the Congo and on to central and southern Africa—it is hard to speak of a specific place like the Trust Territory of Ruanda-Urundi without relating it to the continent as a whole. But under the rules and procedures arising out of the United Nations Charter it is not permissible to stray across certain well-defined boundaries.

This makes it difficult to speak out as clearly and as plainly as one might like. But within the rules it is certainly permissible to say that, when the record of the closing phase of European trusteeship in Africa is written, historians will recognize the farsightedness of King Baudoin of the Belgians and Mr. van Hemelrijck, Minister for the Congo and Ruanda-Urundi. They have won the hearts and the confidence of Africans because they have understood their problems and have sympathized with their aspirations.

Mr. President, the United Nations visiting mission of 1954, on which I was privileged to serve, submitted a report on Ruanda-Urundi² which at the time was considered somewhat controversial.

This report was very complimentary about the numberless contributions which the Belgian Gov-

¹ Made before the Council at New York on July 14 (U.S./U.N. press release 3207).

¹ Made before the Council at New York on June 29 (U.S./U.N. press release 3201).

² U.N. doc. T/1168.

ernment was making to the territory in the economic, social, and educational fields. But controversy arose when the mission expressed the fear that the development of political institutions in the territory was lagging behind that in some other parts of Africa. The mission thought that the future stability of the territory would be better safeguarded if the Administering Authority could avoid too wide a gap between the political development of Ruanda-Urundi and that of other neighboring or nearby territories.

But the events which have been taking place since that time have completely dissipated this fear. Since that time Belgian policy has demonstrated that it is capable of exercising a high degree of flexibility which is enabling it to adapt to the growing demands of African nationalism.

Whereas a few years ago the end of trusteeship in Africa was considered to be a generation or more away, today it is generally believed that there is relatively little time left before the goal of self-government or independence is likely to be attained in most of the territories. In the case of Ruanda-Urundi, because the territory is divided into the two separate and distinct states, the problems involved are of unusual interest and complexity.

Looking toward the future, one can see many possible twists and turns in the road ahead.

For example, will the people be served best by promoting the separate development of Ruanda and Urundi, or should they be encouraged to get together as a unitary state?

Again, can the economic and the other benefits, which might arise in theory out of a coordinated unitary state, be preserved under a federal organization in which each state would be separately federated by popular vote with the Belgian Congo a neighboring territory?

Still again, how quickly and in what way should the administrative structure of the territory which is presently divided between the Belgian authorities and the Africans be integrated and its personnel Africanized?

Another question is, how soon and by what methods can truly African legislatures and subordinate councils be organized on a democratic basis in which the Bhautu and the Batutsi elements of

the population are democratically and acceptably represented?

Lastly, how rapidly can universal suffrage, the foundations for which are already prepared, be extended to all elective offices?

The answer to these and other similar questions will determine the future of this most important area in Central Africa—an area of 4 million people, which represents the highest density of population on the continent.

Ordinarily, the United States would like to comment on some of these most interesting questions, and we would do so were it not for the fact that a study group of the Belgian Government has just completed its work and will soon report its conclusions on most if not all of these matters. We shall therefore suspend our comments until after the Belgian Government is in receipt of the report and we are aware of its contents and its influence on Belgian policy.

In view of the developments which are taking place on every border of Ruanda-Urundi, whether they result from nationalism or traditionalism, we anticipate that the forthcoming report will be not only far-reaching in nature but stimulating and that it will meet the desires of the responsible African leadership in Ruanda-Urundi.

With respect to the economic situation we believe in the rule of thumb that whenever possible economic development should be the twin brother to political development in the approach of a territory toward responsible self-government or independence. But here, too, pending publication of the study group's report, we have nothing constructive to suggest, particularly as we believe that the Belgian Government is doing everything possible to build the foundation for an ultimate self-sustaining economy for the territory. It is an area of great scenic beauty which could truly become an African Switzerland, developing from agriculture to tourism to varied industry, just as have the Swiss.

Altogether, Mr. President, it is the opinion of the United States delegation that the destiny of Ruanda-Urundi, like that of the adjoining Trust Territory of Tanganyika, can with a little faith and a sincere effort become a stabilizing and encouraging factor in the promotion of responsible African self-government far beyond its borders.

United States Delegations to International Conferences

ITU Administrative Radio Conference

The Department of State announced on July 16 (press release 521) the designation of T. A. M. Craven, member of the Federal Communications Commission, as chairman of the U.S. delegation to the Administrative Radio Conference of the International Telecommunication Union, which will convene at Geneva on August 17. Arthur L. Lebel, assistant chief of the Telecommunications Division of the Department of State, will serve as vice chairman of the delegation.

The main purpose of the conference is to effect a complete revision of the radio regulations, including the table of frequency allocations, the preparatory work of which has been in progress in the United States for over 2 years. The conference is scheduled to last for 4 months.

TREATY INFORMATION

Supplemental Income-Tax Convention With Belgium Enters Into Force

Press release 524 dated July 17

On July 10, 1959, instruments of ratification were exchanged at Brussels with respect to the convention of August 22, 1957,¹ between the United States and Belgium supplementing the convention of October 28, 1948,² for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, as modified by the supplementary convention of September 9, 1952.²

The purpose of the new supplementary convention is to facilitate the extension of the 1948 convention, as modified, to the Belgian Congo and the Trust Territory of Ruanda-Urundi and thereby to facilitate investment in those areas.

The new convention contains five articles. Article I amends the definition of "Belgian enter-

¹ For a message to the Congress from President Eisenhower, a report by the Secretary of State, and text of the convention, see BULLETIN of Mar. 3, 1958, p. 354.

² Treaties and Other International Acts Series 2833.

prise" so as to cover any corporation organized or created under the laws of Belgium or of the Belgian Congo and subject to tax under the Belgian fiscal law of June 21, 1927. Article II precludes the Belgian Congo and the Trust Territory of Ruanda-Urundi from imposing *taxe mobilière* at a rate in excess of 15 percent on dividends from sources within either of those areas paid to a resident or corporation or other entity of the United States which does not have a permanent establishment in such area. Article III makes the extension to the Belgian Congo and the Trust Territory effective on and after January 1 immediately preceding the date on which the United States formally accepts a Belgian Government notification for such extension. Article IV, for clarification, defines "overseas territories" in accordance with the original intent as applying to any overseas territory for the foreign relations of which either the United States or Belgium is responsible.

Article V contains the provisions for ratification and exchange of instruments of ratification. As a result of these provisions, the supplementary convention is effective with respect to taxable years beginning on or after January 1, 1959.

Entry into force of the supplementary convention does not, of itself, have the effect of extending the operation of the 1948 convention, as modified, to the Belgian Congo and the Trust Territory of Ruanda-Urundi. Pursuant to article XXII of the 1948 convention it is necessary for the United States Government to communicate to the Belgian Government a formal acceptance of a notification given by the latter. The Belgian Government gave such a notification in 1954. Now that the supplementary convention of August 22, 1957, has been brought into force, it is expected that the United States Government's acceptance will be communicated to the Belgian Government within the next few days.

Current Actions

MULTILATERAL

Automotive Traffic

Convention concerning customs facilities for touring. Done at New York June 4, 1954. Entered into force September 11, 1957. TIAS 3879.

Notification by United Kingdom of extension to: Barbados, June 16, 1959.

Customs convention on temporary importation of private

road vehicles. Done at New York June 4, 1954. Entered into force December 15, 1957. TIAS 3943.
Notification by United Kingdom of extension to: Barbados, June 16, 1959.

Postal Services

Universal postal convention with final protocol, annex, regulations of execution, and provisions regarding air-mail with final protocol. Done at Ottawa October 3, 1957. Entered into force April 1, 1959. TIAS 4202.

Ratifications deposited: New Zealand (including Cook Island and Niue, Tokelau Islands, and Trust Territory of Western Samoa), April 6, 1959; Argentina (with reservation), Yugoslavia, April 15, 1959; Byelorussian Soviet Socialist Republic, Union of Soviet Socialist Republics, April 23, 1959; Australia (including Papua, Norfolk Island, Cocos (Keeling) Islands, Christmas Island, Heard and McDonald Islands, Australian Antarctic Territory, and Trust Territory of New Guinea and Nauru), April 29, 1959; Austria, May 4, 1959; France (including Algeria, territories represented by the French Overseas Postal and Telecommunications Office, and the condominium of New Hebrides), May 8, 1959; Bulgaria, May 13, 1959.

Shipping

Convention on the Intergovernmental Maritime Consultative Organization. Signed at Geneva March 6, 1948. Entered into force March 17, 1958. TIAS 4044.
Acceptance deposited: Ghana, July 6, 1959.

Trade and Commerce

Sixth protocol of rectifications and modifications to the texts of the schedules to the General Agreement on Tariffs and Trade. Done at Geneva April 11, 1957.¹
Signature: Japan, June 24, 1959.

Seventh protocol of rectifications and modifications to the texts of the schedules to the General Agreement on Tariffs and Trade. Done at Geneva November 30, 1957.¹
Signature: Japan, June 24, 1959.

Protocol relating to negotiations for the establishment of new schedule III—Brazil—to the General Agreement on Tariffs and Trade. Done at Geneva December 31, 1958.¹
Signatures: India, Japan, June 24, 1959.

Wheat

International wheat agreement, 1959, with annex. Opened for signature at Washington April 6 through April 24, 1959.

Senate advice and consent to ratification given: July 15, 1959.

Ratified by the President: July 16, 1959.

Acceptances deposited: Austria, France, United Arab Republic, and Vatican City, July 9, 1959; Norway, July 13, 1959; United Kingdom, July 14, 1959; Canada and United States, July 16, 1959.

Accessions deposited: Federation of Rhodesia and Nyasaland, July 9, 1959.

Notifications deposited of intention to accept or accede: Sweden, April 22, 1959; Japan, June 23, 1959; Greece, June 30, 1959; Israel, July 6, 1959; Brazil and Portugal, July 8, 1959; Saudi Arabia, July 9, 1959; Venezuela, July 10, 1959; Italy, July 13, 1959; Dominican Republic, Federal Republic of Germany, Ireland, and Philippines, July 14, 1959; Australia, Belgium, Denmark, Haiti, Korea, Netherlands, and Spain, July 15, 1959; Argentina, Cuba, Indonesia, Mexico, and Peru, July 16, 1959.

Entered into force: July 16, 1959, for part I and parts III to VIII, and August 1, 1959, for part II.

¹Not in force.

BILATERAL

Belgium

Convention supplementing the convention of October 28, 1948 (TIAS 2833), for the avoidance of double taxation with respect to taxes on income, as modified by the supplementary convention of September 9, 1952 (TIAS 2833).

Ratifications exchanged: July 10, 1959.

Entered into force: July 10, 1959.

DEPARTMENT AND FOREIGN SERVICE

ICA Institute Opens Third Session

The Department of State announced on July 13 (press release 510) that 16 staff members of the International Cooperation Administration and 2 officers of the Department of State on that day began a 21 weeks' course in programing at the third session of the Institute on ICA Development Programing, conducted for ICA at Washington, D.C., by the School of Advanced International Studies of Johns Hopkins University.

The course, which ends in December, offers a special training program to improve the participants' effectiveness in dealing with complex technical and economic assistance problems in newly developing countries. Subject matter includes the economic principles of development programing and the relationship of political and cultural factors to U.S. foreign assistance. All those taking the course were selected on the basis of demonstrated competence in the technical and economic assistance fields.

Bureaus Set Up for Public Affairs and Cultural Relations

Bureau of Public Affairs

Press release 483 dated July 2

The Department of State announced on July 2 the reorganization of the Bureau of Public Affairs, occasioned by the transfer of its cultural affairs activities to a new Bureau of International Cultural Relations.

The Bureau of Public Affairs will now be able to devote its attention exclusively to advising the

Secretary of State on public affairs matters, informing the American public about foreign policy issues and objectives, and providing information guidance on foreign policy to the U.S. Information Agency and other Government Departments and agencies.

Andrew H. Berding, Assistant Secretary of State for Public Affairs since March 1957, will continue to head the Bureau of Public Affairs. Edwin M. J. Kretzmann will continue as Deputy Assistant Secretary.

"The streamlining of the bureau will enable its officers to take more effective action in the great struggle of ideas going on throughout the world," Mr. Berding said. "That struggle is intensifying as the Soviet Union, through political, psychological, and economic approaches, is increasingly seeking to convince the people of the world that the victory of communism is inevitable. The countries of the free world need to make their policies and ideals better known to their own and other peoples. More opportunities will be sought and created toward this end. If people are given more facts in an understandable way they will draw the right conclusions."

The Bureau of Public Affairs will be in contact through its News Division with American and foreign press, radio, TV, and magazine correspondents on a 24-hour basis.

Through its Public Services Division, the bureau will provide liaison service and information to national nongovernmental organizations, handle the speaking engagements of the Department of State, issue publications on various foreign policy matters, and reply to the approximately 100,000 letters addressed annually to the Department requesting information or offering comment.

The Historical Division will compile and publish the volumes on *Foreign Relations of the United States* and other historical studies on United States foreign affairs.

The Policy and Plans Staff will provide guidance on foreign affairs developments to the U.S. Information Agency and other interested Departments and agencies. It will work closely with the interdepartmental Operations Coordinating Board, the chairman of which is the Under Secretary of State.

The Mutual Security Information Staff will provide information on the mutual security program.

The Public Studies Staff will furnish the Department and overseas missions analyses of American public attitudes toward foreign policy problems and developments.

Bureau of International Cultural Relations

Press release 484 dated July 2

Reflecting the increased importance of cultural and educational activities in the conduct of foreign affairs, a Bureau of International Cultural Relations has been established in the Department of State. Robert H. Thayer, former U.S. Minister to Rumania, will head the new bureau. He is Special Assistant to the Secretary of State for the coordination of International Educational and Cultural Relations. This is a new position.

"The Department has recognized the increasing importance cultural activities, previously carried out by the Bureau of Public Affairs, are coming to occupy in international affairs," Mr. Thayer said in explaining the establishment of the bureau. "The element of human communication has become vital in the relationships of peoples and nations. We in the United States are becoming increasingly aware of the strength and validity of the cultures of other peoples, and they are becoming more interested in understanding us. This kind of mutual appreciation is important to stability and progress in the world. Cultural interchange furthers the kind of understanding we seek."

The educational exchange program under the Fulbright and Smith-Mundt Acts and other international activities which bring American and foreign students, educators, leaders, specialists, and artistic groups together will form the basis of the work of the new bureau.

The bureau will be responsible for the President's Special International Program for Cultural Presentations under which 140 groups of American performing artists and athletes have appeared in more than 90 countries since 1954; the exchange program between the United States and the Soviet-bloc nations under which 38 American technical delegations visited the Soviet Union and 33 similar Soviet groups visited the United States during 1958; the participation of the Government and American institutions in the United Nations Educational, Scientific and Cultural Organization; and various other programs of cultural and educational interchange.

The largest activity of the new bureau will be the international educational exchange program, which includes the educational and cultural exchange programs authorized under the Fulbright and Smith-Mundt Acts. This program has sponsored the exchange of more than 60,000 persons between the United States and more than 85 other countries since 1938.

Other existing State Department units that will be part of the new bureau include the secretariat of the United States Advisory Commission on Educational Exchange and the Advisory Committee on the Arts, two public bodies which advise the Secretary of State on cultural and educational exchange activities; and the Cultural Planning and Coordination Staff, which will henceforth be called the Cultural Policy and Development Staff.

Mr. Thayer will also be responsible to the Secretary of State for the coordination of other Government activities in the international cultural relations field and for liaison and cooperation with nongovernmental organizations engaged in such activities.

Saxton Bradford, Deputy Director for Policy and Plans, United States Information Agency, has been appointed Deputy for Operations to Mr. Thayer.¹

Confirmations

The Senate on July 15 confirmed Lane Dwinell to be an Assistant Secretary of State. (For biographic details, see press release 472 dated June 29.)

Designations

Joel Bernstein as International Cooperation Administration representative in Nigeria. (For biographic details, see Department of State press release 523 dated July 15.)

Thomas D. Huff as Executive Officer, Office of Personnel, effective June 29.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Address

¹ For a list of designations to the Bureau of International Cultural Relations, see BULLETIN of July 6, 1959, p. 38.

requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Sample Questions from the Foreign Service Officer Examination. Pub. 6826. Department and Foreign Service Series 87. 37 pp. Limited distribution.

A booklet containing examples of questions to be found in each part of the written examination taken prior to appointment as a Foreign Service officer.

The Board of Foreign Scholarships—A Report to the President on the Educational Exchange Program Under the Fulbright Act. Pub. 6832. International Information and Cultural Series 67. 10 pp. Limited distribution.

This report summarizes the accomplishments of educational exchange, discusses the problems faced by the program in 1959, and puts forth the Board's recommendations for action toward bolstering, stabilizing, and extending the program.

General Agreement on Tariffs and Trade. TIAS 4186. 89 pp. 25¢.

Fourth protocol of rectifications and modifications to the annexes and texts of schedules to the agreement of October 30, 1947, between the United States of America and Other Governments—Done at Geneva March 7, 1955. Entered into force January 23, 1959.

General Agreement on Tariffs and Trade. TIAS 4197. 33 pp. 15¢.

Third protocol of rectifications and modifications to the texts of the schedules to the agreement of October 30, 1947, between the United States of America and Other Governments—Signed at Geneva October 24, 1953. Entered into force February 2, 1959.

Atomic Energy—Cooperation for Civil Uses. TIAS 4207. 6 pp. 5¢.

Agreement between the United States of America and Iran—Signed at Washington March 5, 1957. Entered into force April 27, 1959.

Establishment in Canada of Warning and Control System Against Air Attack—Communications Facilities at Cape Dyer, Baffin Island. TIAS 4208. 3 pp. 5¢.

Agreement between the United States of America and Canada. Exchange of notes—Dated at Ottawa April 13, 1959. Entered into force April 13, 1959. Operative retroactively January 15, 1959.

Army, Air Force, and Naval Missions to Colombia. TIAS 4210. 4 pp. 5¢.

Agreement between the United States of America and Colombia, amending agreements of February 21, 1949, as extended, and October 14, 1946, as extended. Exchange of notes—Signed at Bogotá February 18 and March 31, 1959. Entered into force March 31, 1959.

Surplus Agricultural Commodities. TIAS 4211. 9 pp. 10¢.

Agreement, with exchange of notes and additional note, between the United States of America and Ceylon—Signed at Colombo March 13, 1959. Entered into force March 13, 1959.

Surplus Agricultural Commodities. TIAS 4212. 15 pp. 10¢.

Agreement, with memorandum of understanding and exchange of notes, between the United States of America and France—Signed at Paris March 21, 1959. Entered into force March 21, 1959.

Air Transport Services. TIAS 4213. 3 pp. 5¢.

Agreement between the United States of America and Canada, amending agreement of June 4, 1949, as amended. Exchange of notes—Dated at Ottawa April 9, 1959. Entered into force April 9, 1959.

Guaranty of Private Investments. TIAS 4214. 4 pp. 5¢.

Agreement between the United States of America and Malaya. Exchange of notes—Signed at Kuala Lumpur April 21, 1959. Entered into force April 21, 1959.

Bahamas Long Range Proving Ground—Tracking Station on Island of Grand Turk. TIAS 4215. 3 pp. 5¢.

Agreement between the United States of America and the United Kingdom of Great Britain and Northern Ireland. Exchange of notes—Signed at Washington March 16 and April 16, 1959. Entered into force April 16, 1959.

Tracking Stations. TIAS 4216. 4 pp. 5¢.

Agreement between the United States of America and Chile. Exchange of notes—Signed at Santiago February 16 and 19, 1959. Entered into force February 19, 1959. Operative retroactively December 31, 1958.

Surplus Agricultural Commodities. TIAS 4217. 3 pp. 5¢.

Agreement between the United States of America and Colombia, amending section III of memorandum of understanding accompanying agreement of April 16, 1957. Exchange of notes—Signed at Bogotá January 14 and March 5, 1959. Entered into force March 5, 1959.

Defense—Short Range Tactical Air Navigation (TACAN) Facilities. TIAS 4218. 6 pp. 5¢.

Agreement between the United States of America and Canada. Exchange of notes—Dated at Ottawa May 1, 1959. Entered into force May 1, 1959.

Certificates of Airworthiness for Imported Aircraft. TIAS 4219. 5 pp. 5¢.

Agreement between the United States of America and Austria. Exchange of notes—Signed at Washington April 30, 1959. Entered into force April 30, 1959.

Guaranty of Private Investments. TIAS 4222. 6 pp. 5¢.

Agreement between the United States of America and Nicaragua. Exchange of notes—Signed at Managua April 14, 1959. Entered into force April 14, 1959.

Surplus Agricultural Commodities. TIAS 4223. 6 pp. 5¢.

Agreement between the United States of America and the United Arab Republic, supplementing and amending agreement of December 24, 1958. Exchange of notes—Signed at Cairo May 5, 1959. Entered into force May 5, 1959.

Mutual Defense Assistance—Shipbuilding Program for Danish Navy. TIAS 4226. 4 pp. 5¢.

Agreement between the United States of America and Denmark. Exchange of notes—Signed at Copenhagen May 8, 1959. Entered into force May 8, 1959.

Annual and Progressive Reduction in Japanese Expenditures Under Article XXV 2(b) of the Administrative Agreement of February 28, 1952. TIAS 4227. 9 pp. 10¢.

Agreement between the United States of America and Japan. Exchange of notes—Signed at Tokyo April 6, 1959. Entered into force April 6, 1959.

Whaling. TIAS 4228. 5 pp. 5¢.

Protocol to convention of December 2, 1946, between the United States of America and Other Governments. Signed at Washington November 19, 1956. Entered into force May 4, 1959.

Surplus Agricultural Commodities. TIAS 4229. 2 pp. 5¢.

Agreement between the United States of America and Burma, amending agreement of May 27, 1958. Exchange of notes—Signed at Rangoon March 11, 1959. Entered into force March 11, 1959.

Check List of Department of State Press Releases: July 13-19

Press releases may be obtained from the News Division, Department of State, Washington 25, D.C.

Releases issued prior to July 13 which appear in this issue of the BULLETIN are Nos. 483 and 484 of July 2, 485 of July 6, 492 of July 7, 496, 497, and 498 of July 9, 501, 502, and 505 of July 10, and 507 of July 11.

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510	7/13	ICA institute (rewrite).
511	7/13	Seaton to represent U.S. at opening of Cambodian highway.
512	7/13	Guatemala credentials (rewrite).
513	7/13	Herter: arrival statement, Geneva.
514	7/14	Mann: statement on wheat and sugar agreements.
†515	7/14	DLF loan to Korea (rewrite).
*516	7/14	Walmesley named Ambassador to Tunisia (biographic details).
†517	7/15	Hanes: statement on refugee legislation.
518	7/15	Dillon: "A New Era in World Trade and Investment."
†519	7/15	Mann: statement on P.L. 480.
†520	7/15	DLF loan to Yugoslavia (rewrite).
521	7/16	Delegation to ITU conference (rewrite).
†522	7/16	DLF loan to Lebanon (rewrite).
*523	7/15	Bernstein sworn in as ICA representative in Nigeria (biographic details).
524	7/17	Supplementary income-tax convention with Belgium.
†525	7/17	DLF loan to Thailand (rewrite).
526	7/17	Carl Sandburg and Edward Steichen depart for U.S. exhibition at Moscow (rewrite).
527	7/17	Status of International Wheat Agreement, 1959.
*528	7/17	Dillon: statement on death of Eugene Meyer.
529	7/18	Agreement with Pakistan on communications unit at Peshawar.

*Not printed.

†Held for a later issue of the BULLETIN.

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